

1 Lenard E. Schwartzner
Nevada Bar No. 0399
2 Jeanette E. McPherson
Nevada Bar No. 5423
3 Jason A. Imes
Nevada Bar No. 7030
4 Schwartzner & McPherson Law Firm
5 2850 South Jones Boulevard, Suite 1
Las Vegas, Nevada 89146-5308
6 Telephone: (702) 228-7590
7 Facsimile: (702) 892-0122
E-Mail: bkfilings@s-mlaw.com
8 Attorneys for Debtors and Debtors in Possession

9 **UNITED STATES BANKRUPTCY COURT**
10 **DISTRICT OF NEVADA**

11 In re
12 DAVID L. SPECKMAN and KAROL S.
13 SPECKMAN,
14 Debtors.

Case No. BK- BK-S-10-20027 MKN

Chapter 11

**DEBTORS' CHAPTER 11 PLAN OF
REORGANIZATION**

Date:

Time:

16 David L. Speckman and Karol S. Speckman ("Debtors"), by and through their undersigned
17 counsel, hereby propose Debtors' Plan of Reorganization ("Plan") pursuant to section 1121(c) of the
18 Bankruptcy Code for the resolution of Debtors' outstanding creditor Claims and Equity Interests.
19 Reference is made to the Disclosure Statement (as that term is defined herein) distributed
20 contemporaneously herewith, for a discussion of the Debtors' history, business, results of operations,
21 projections for future operations, risk factors, a summary and analysis of the Plan, and certain related
22 matters. The Debtors are the proponents of the Plan within the meaning of section 1129 of the
23 Bankruptcy Code.

24 All holders of Claims are encouraged to read this Plan and the Disclosure Statement in their
25 entirety before voting to accept or reject this Plan. Subject to certain restrictions and requirements
26 set forth in section 1127 of the Bankruptcy Code and Fed.R. Bankr. P. 3019 and Article XIII of this
27 Plan, the Debtors reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its
28 substantial consummation.

ARTICLE I
DEFINITIONS, RULES OF INTERPRETATION,
COMPUTATION OF TIME AND GOVERNING LAW

1.1 Scope Of Definitions; Rules of Construction.

For the purpose of the Plan and the accompanying Disclosure Statement, except as expressly provided or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meaning ascribed to them in Article I of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules. Whenever the context requires, such terms shall include the plural as well as the singular number, the masculine gender shall include the feminine, and the feminine gender shall include the masculine.

1.2 Definitions.

1.21 "Administrative Claim" means a Claim for payment of an administrative expense of a kind specified in section 503(b) or 1114(e)(2) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(1) of the Bankruptcy Code, including, but not limited to, (a) the actual, necessary costs and expenses, incurred after the Petition Date, of preserving the Estate and operating the business of the Debtors, including wages, salaries, or commissions for services rendered after commencement of the Chapter 11 Case, (b) Professional Fee Claims, (c) all fees and charges assessed against the Estate under 28 U.S.C. § 1930.

1.22 "Administrative Claim Bar Date" means the end of the first Business Day occurring on or after the sixtieth (60th) day after the Confirmation Date.

1.23 "Allowed" means with reference to any Claim against or equity interest in the Debtors, (a) any Claim which has been listed by the Debtors in the Schedules, as such Schedules may be amended by the Debtors from time to time in accordance with Bankruptcy Rule 1009, as liquidated in amount and not disputed or contingent and for which no contrary proof of claim or objection to Claim has been filed, (b) any Claim or equity interest allowed hereunder, (c) any Claim, proof of which was filed on or before the Bar Date, or, with respect to a Governmental Unit, before the Governmental Unit Claims Bar Date, or equity interest, which is not Disputed, (d) any Claim or equity interest that is compromised, settled or otherwise resolved pursuant to a Final Order of the

1 Bankruptcy Court, or (e) any Claim or equity interest which, if Disputed, has been allowed by Final
2 Order.

3 1.24 "Appraisal" means any appraisal pertaining to the specifically name real
4 property.

5 1.25 "Avoidance Action(s)" means a cause of action brought pursuant to sections
6 542, 543, 544, 545, 547, 548 or 549 of the Bankruptcy Code.

7 1.26 "Ballot" means the Ballot for accepting or rejecting this Plan in a form
8 approved by the Bankruptcy Court.

9 1.27 "Ballot Date" means the last date determined by the Bankruptcy Court for the
10 casting of Ballots.

11 1.28 "Bankruptcy Code" means Title 11 of the United States Code, 11 U.S.C. §§
12 101-1330, as now in effect or hereafter amended.

13 1.29 "Bankruptcy Court" means the United States Bankruptcy Court for the District
14 of Nevada or such other court as may have jurisdiction over the Chapter 11 Case.

15 1.30 "Bankruptcy Rules" means, collectively, the Federal Rules of Bankruptcy
16 Procedure and the Official Forms, as amended, the Federal Rules of Civil Procedure, as amended, as
17 applicable to the Chapter 11 Case or proceedings therein, and the Local Rules of the Bankruptcy
18 Court, as applicable in the Chapter 11 Case or proceedings therein, as the case may be.

19 1.31 "Bar Date" means the date established by order of the Bankruptcy Court as the
20 last day for the filing of proofs of claims against the Debtors; provided that the deadline for filing
21 proofs of claim by a Governmental Unit shall be the Governmental Unit Claims Bar Date.

22 1.32 "Business Day" means any day, excluding Saturdays, Sundays or "legal
23 holidays" (as defined in Fed. R. Bankr. P. 9006(a)), on which commercial banks are open for
24 business in Las Vegas, Nevada.

25 1.33 "Cash" means currency, certified checks, official checks, money orders,
26 negotiable instruments, and wire transfers of immediately available funds.

27 1.34 "Chapter 11 Case" means the Chapter 11 case of the Debtors, including all
28 adversary proceedings pending in connection therewith.

1 1.35 "Claim" means a claim, as defined in section 101(5) of the Bankruptcy Code,
2 against a Person or its property, including, without limitation: (a) any right to payment, whether or
3 not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured,
4 unmatured, disputed, undisputed, legal, equitable, secured, or unsecured arising at any time before
5 the Effective Date; or (b) any right to an equitable remedy for breach of performance if such breach
6 gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to
7 judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

8 1.36 "Claims Objection Deadline" means the last day for filing objections to
9 Disputed Claims, which shall be 60 days after the Confirmation Date.

10 1.37 "Class" means one of the classes of Claims or Interests herein described.

11 1.38 "Collateral" means the real or personal property intended to secure a Claim.

12 1.39 "Confirmation" means the entry by the Bankruptcy Court of the Confirmation
13 Order.

14 1.40 "Confirmation Date" means the date of entry by the clerk of the Bankruptcy
15 Court of the Confirmation Order.

16 1.41 "Confirmation Hearing" means the hearing to consider the confirmation of the
17 Plan under section 1128 of the Bankruptcy Code.

18 1.42 "Confirmation Order" means the order entered by the Bankruptcy Court
19 confirming the Plan.

20 1.43 "Creditor" means a creditor as set forth in section 101(10) of the Bankruptcy
21 Code.

22 1.44 "Cure" means the distribution of Cash, or other property as may be agreed
23 upon by the parties or ordered by the Bankruptcy Court, with respect to the assumption of an
24 executory contract or unexpired lease pursuant to section 365(b) of the Bankruptcy Code, in an
25 amount equal to all unpaid monetary obligations, without interest, or such other amount as may be
26 agreed by the parties, under such executory contract or unexpired lease, to the extent such
27 obligations are enforceable under the Bankruptcy Code and applicable bankruptcy law.

28 1.45 "Debtors" mean David and Karol Speckman.

1 1.46 "Disclosure Statement" means the written disclosure statement that relates to
2 the Plan, as amended, supplemented, or modified from time to time, and that is prepared and
3 distributed in accordance with section 1125 of the Bankruptcy Code and Fed. R. Bankr. P. 3018.

4 1.47 "Disputed" means with respect to claims, a Claim: (a) that is listed in the
5 Schedules as unliquidated, disputed, or contingent and as to which no proof of claim has been filed;
6 or (b) as to which the Debtors or any other proper party-in-interest has interposed a timely objection
7 or request for estimate, or has sought to equitably subordinate or otherwise limit recovery in
8 accordance with the Bankruptcy Code and the Bankruptcy Rules, or which is otherwise disputed by
9 the Debtors in accordance with applicable law and as to which such objection, request for
10 estimation, or request for subordination has not been withdrawn or determined by a Final Order.

11 1.48 "Distribution" means any distribution by the Debtors of monies to the holders
12 of Allowed Claims.

13 1.49 "Distribution Date" means with respect to the holder of an Allowed Claim, the
14 date upon which such holder receives a Distribution under the Plan on account of such Allowed
15 Claim.

16 1.50 "Effective Date" means the later of: (a) the first Business Day that is at least
17 eleven (11) days after the Confirmation Date and on which no stay of the Confirmation Order is in
18 effect; and (b) the Business Day on which all of the conditions set forth in Article VII of the Plan
19 have been satisfied.

20 1.51 "Equity Interest" means an interest in the Debtors.

21 1.52 "Estate" means the estate created for the Debtors in the Chapter 11 case
22 pursuant to section 541 of the Bankruptcy Code.

23 1.53 "Final Decree" means a final decree closing this Chapter 11 case.

24 1.54 "Final Order" means an order or judgment of the Bankruptcy Court, or other
25 court of competent jurisdiction, as entered on the docket in the Chapter 11 Case, the operation or
26 effect of which, not having been reversed, modified, or amended and as to which order or judgment
27 (or any revision, modification, or amendment thereof) the time to appeal from or to seek review or
28 rehearing of has expired and as to which no appeal or petition for review or rehearing was filed or, if

1 filed, remains pending.

2 1.55 "General Unsecured Claim" means an Unsecured Claim against the Debtors
3 that is not an Administrative Claim, Priority Tax Claim, Other Priority Claim, or Secured Claim.

4 1.56 "Impaired" means, when used with reference to a Claim or Interest, a Claim or
5 Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

6 1.57 "Insider" means any individual or entity meeting the description set forth in
7 section 101(31) of the Bankruptcy Code.

8 1.58 "Interest(s)" means an equity interest in the Debtors.

9 1.59 "Lien(s)" means a lien as defined in section 101(37) of the Bankruptcy Code,
10 except a lien that has been avoided in accordance with sections 506, 544, 545, 546, 547, 548, 549, or
11 553 of the Bankruptcy Code.

12 1.60 "Other Definitions" means a term used in this Plan that is not defined in this
13 Plan, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning
14 ascribed thereto in the Bankruptcy Code or Bankruptcy Rules.

15 1.61 "'Person" means person as defined in section 101(41) of the Bankruptcy
16 Code.

17 1.62 "Petition Date" means the date the Debtors filed its petition for relief
18 commencing the Chapter 11 Case or February 9, 2009.

19 1.63 "Plan" means this Chapter 11 reorganization plan and all exhibits annexed
20 hereto or referenced herein, as the same may be amended, modified, or supplemented from time to
21 time.

22 1.64 "Plan Exhibit" means any exhibit attached hereto.

23 1.65 "Priority Claim" means a Claim entitled to priority in Bankruptcy Code §§
24 507(a)(2)-(8).

25 1.66 "Pro Rata" means the ratio of an Allowed Claim in a particular class to the
26 aggregate amount of all such Allowed Claim in any such Class.

27 1.67 "Professional" means any professional employed in the Chapter 11 Case
28 pursuant to sections 327 or 1103 of the Bankruptcy Code or otherwise and any professional seeking

1 compensation or reimbursement of expenses in connection with the Chapter 11 Case pursuant to
2 section 503(b)(4) of the Bankruptcy Code.

3 1.68 "Professional Fee(s)" means the Administrative Claims for compensation and
4 reimbursement of expenses of Professionals submitted in accordance with sections 330 or 331 of the
5 Bankruptcy Code, or any Administrative Claims Allowed by the Bankruptcy Court pursuant to
6 section 503(b)(4) of the Bankruptcy Code.

7 1.69 "Professional Fee Claim" means a Claim of a professional for compensation
8 or reimbursement of costs and expenses relating to services incurred after the Petition Date and prior
9 to and including the Effective Date.

10 1.70 "Reorganization Case" means the Debtors' case under Chapter 11 of the
11 Bankruptcy Code which is currently pending before this Bankruptcy Court.

12 1.71 "Schedules" means the schedules of assets and liabilities and the statement of
13 financial affairs filed in the Bankruptcy Court by the Debtors as such schedules or statements as may
14 be amended or supplemented from time to time in accordance with Fed. R. Bankr. P. 1009.

15 1.72 "Secured Claim" means (a) a Claim against the Debtors secured by a Lien on
16 any assets, which Lien is valid, perfected, and enforceable under applicable law and is not void or
17 subject to avoidance under the Bankruptcy Code or applicable non-bankruptcy law, and which is
18 duly established in the Chapter 11 case, but only to the extent of the value of the holder's interest in
19 the Debtors' interest in the assets that secure payment of the Claim; (b) a Claim against the Debtors
20 that is subject to a valid right of recoupment or setoff under section 553 of the Bankruptcy Code, but
21 only to the extent of the Allowed amount subject to recoupment or setoff as provided in section
22 506(a) of the Bankruptcy Code; and (c) a Claim deemed or treated under the Plan as a Secured
23 Claim; provided, that, to the extent that the amount of any such Secured Claim is less than the
24 amount of the Claim which has the benefit of any such Lien or right of recoupment or setoff, the
25 balance of such Claim shall be treated as a General Unsecured Claim.

26 1.73 "Tax Claims" means any Claims of a Governmental Unit for property taxes
27 whether such liability is *in rem*, *in personam*, or both.

28 1.74 "Trustee" means the United States Trustee.

1 1.75 "Unimpaired" means when used with reference to a Claim or Interest, a
2 Claim or Interest that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

3 1.76 "Unsecured Claim" means any Claim that is not a Secured Claim, a Priority
4 Claim, or an Administrative Claim, or an unclassified Claim of the kind described by Section
5 507(a)(8) of the Bankruptcy Code. Unsecured Claim shall not include the Allowed Equity Interest.

6 **1.3 Rules of Interpretation.**

7 For purposes of the Plan (a) any reference in the Plan to a contract, instrument, release, or
8 other agreement or document being in a particular form or particular terms and conditions means
9 that such document shall be substantially in such form or substantially on such terms and conditions,
10 (b) any reference in the Plan to an existing document or exhibit filed or to be filed means such
11 document or exhibit as it may have been or may be amended, modified, or supplemented, (c) unless
12 otherwise specified, all references in the Plan to Sections, Articles, Schedules and Exhibits of or to
13 the Plan, (d) the words "herein" and "hereto" refer to the Plan in its entirety rather than a particular
14 portion of the Plan, (e) captions and heading to Articles and sections are inserted for convenience of
15 reference only and are not intended to be part of or to affect the interpretation of the Plan, and (f) the
16 rules of construction set forth in section 102 of the Bankruptcy Code and in the Bankruptcy Rules
17 shall apply.

18 **1.4 Computation of Time.**

19 In computing any period of time prescribed or allowed by the Plan, the provisions of Fed. R.
20 Bankr. P. 9006(a) shall apply.

21 **1.5 Governing Law.**

22 Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code
23 and Bankruptcy Rules), the laws of (i) the State of Nevada shall govern the construction and
24 implementation of the Plan and any agreements, documents and instruments executed in connection
25 with the Plan and (ii) the laws of the State of Nevada shall govern corporate governance matters with
26 respect to the Debtors.

27 ///

28 ///

ARTICLE II
TREATMENT OF UNCLASSIFIED CLAIMS

2.1. Unclassified Claims. As provided in section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims against the Debtors are not classified for purposes of voting on, or receiving distributions under, the Plan. Holders of such Claims are not entitled to vote on the Plan. All such Claims instead are treated separately in accordance with this Article 2 and in accordance with the requirements set forth in section 1129(a)(9)(A) of the Bankruptcy Code.

2.2. Administrative Claims.

2.2.1. Generally. Except as otherwise provided for in the Plan, and subject to the requirements of the Plan, on, or as soon as reasonably practicable after, the latest of: (1) the Distribution Date, (2) the date such Administrative Claim becomes an Allowed Administrative Claim, or (3) the date such Administrative Claim becomes payable pursuant to any agreement between the Debtors and the holder of such Administrative Claim, each holder of an Allowed Administrative Claim shall receive in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Administrative Claim: (a) cash equal to the unpaid portion of such Allowed Administrative Claim or (b) such treatment as to which the Debtors and such holder has agreed in writing; provided, however, that Allowed Administrative Claims with respect to liabilities incurred by the Debtors in the ordinary course during the Chapter 11 case shall be paid in accordance with the terms and conditions of any agreements relating thereto. The Administrative Claims shall be paid from the Debtors' cash on hand and earnings.

2.2.2. Requests for Payment. All requests for payment of Administrative Claims must be filed by the Administrative Claim Bar Date or the holders thereof shall be forever barred from asserting such Administrative Claims against the Debtors.

2.3. Allowed Priority Tax Claims. All holders of Allowed Priority Tax Claims against the Debtors entitled to priority in payment as specified in section 502(i) and 507(a)(8) of the Bankruptcy Code, whether prepetition or postpetition, to the extent such Claims are allowed by the Court shall be entitled to receive, on account of such Allowed Priority Tax Claim in full satisfaction,

1 settlement, release, and discharge of and in exchange for such Allowed Priority Tax Claim, equal
 2 monthly, consecutive cash payments beginning on the last Business Day of the three-month period
 3 following the Effective Date, and continuing until completed no later than five (5) years after the date
 4 of the order for relief plus interest on any outstanding balance from the Effective Date in accordance
 5 with applicable nonbankruptcy law, which is interest at the rate of 6% per annum, or fraction of
 6 month, from the last day of the month following the period for which the amount of any portion of
 7 the amount that should have been reported until the date of payment. The Debtors estimate that
 8 Allowed Priority Tax Claims will total approximately \$33,000.

9 **2.4. Post-Effective Date Professional Fees.** All Professional Fees for services rendered in
 10 connection with the Chapter 11 Case and the Plan after the Effective Date may be paid by the
 11 Debtors upon receipt of an invoice for such services, or on such other terms to which the
 12 Debtors and the relevant Professional may agree, without the need for further
 13 Bankruptcy Court authorization or entry of a Final Order.

14 **ARTICLE III**
 15 **CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS**

16 **3.1 Introduction.** All Claims and Equity Interests, except Administrative Claims and
 17 Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1)
 18 of the Bankruptcy Code, the Administrative Claims and Priority Tax Claims have not been
 19 classified. The respective treatment of unclassified claims is set forth in Article II of this Plan.

20 A Claim or Equity Interest is placed in a particular Class only to the extent that the Claim or
 21 Equity Interest falls within the description of that Class, and is classified in other Classes to the
 22 extent that any portion of the Claim or Equity Interest falls within the description of such other
 23 Classes. A Claim is also placed in a particular Class for the purpose of receiving distributions
 24 pursuant to the Plan only to the extent that such Claim is an Allowed Claim in that Class and such
 25 Claim has not been paid, released, or otherwise settled prior to the Effective Date.

26 For ease of review, the following chart summarizes the Classes of Claims under this Plan:

27 Class 1	Secured Tax Claims	Impaired – Solicitation Required
28 Class 2	Americas Servicing Co. (7415 Vintage Hills, Austin, Texas)	Impaired – Solicitation Required

Class 3	Americas Servicing Co. (7417 Vintage Hills, Austin, TX)	Impaired – Solicitation Required
Class 4	Bac Home Loans Servicing (39 E Agate Ave, #207, Las Vegas, NV 89123)	Impaired – Solicitation Required
Class 5	Bac Home Loans Servicing (8824 Martin Downs Place, Las Vegas, NV 89131)	Impaired – Solicitation Required
Class 6	Bac Home Loans Servicing (3125 Sequoia Avenue, Las Vegas, NV 89101)	Impaired – Solicitation Required
Class 7	Bac Home Loans Servicing (3348 Palio Avenue, Las Vegas, NV 89122)	Impaired – Solicitation Required
Class 8	Bac Home Loans Servicing (Frisco Lane, Tupelo, MS)	Impaired – Solicitation Required
Class 9	Bac Home Loans Servicing (8824 Martin Downs Place, Las Vegas, NV 89131)	Impaired – Solicitation Required
Class 10	Bac Home Loans Servicing (2606 S Durango Drive, #187, Las Vegas, NV 89122)	Impaired – Solicitation Required
Class 11	Chase (7918 Mainland Woods, San Antonio Texas)	Impaired – Solicitation Required
Class 12	EMC Mortgage (1405 Vegas Valley Drive, #85, Las Vegas, NV 89169)	Impaired – Solicitation Required
Class 13	EMC Mortgage (1405 Vegas Valley Drive, #347, Las Vegas, NV 89169)	Impaired – Solicitation Required
Class 14	Flagstar Bank (3807 Aspen Creek Avenue, Las Vegas, NV 89031)	Impaired – Solicitation Required
Class 15	Flagstar Bank (3334 Palio Avenue, Las Vegas, NV 89031)	Impaired – Solicitation Required
Class 16	Flagstar Bank (5301 Sly Fox Court, Las Vegas, NV)	Impaired – Solicitation Required
Class 17	Green Tree (7417 Vintage Hills, Austin, Texas)	Impaired – Solicitation Required
Class 18	Green Tree (7415 Vintage Hills, Austin, Texas)	Impaired – Solicitation Required
Class 19	Interval Servicing (HOA Lien Timeshare- the Royal Caribbean- Interval 19)	Impaired – Solicitation Required
Class 20	Interval Servicing (HOA Lien Timeshare- the Royal Caribbean- Interval 20)	Impaired – Solicitation Required
Class 21	M&T Bank (241 Kilpatrick Street, Baldwin, Mississippi 38824)	Impaired – Solicitation Required
Class 22	NCB (1414 Oliver Avenue, San Diego, California)	Unimpaired
Class 23	Nevada Federal Credit Union (4075 N Rancho Drive, Las Vegas, NV)	Impaired – Solicitation Required
Class 24	Nevada Federal Credit Union (4145 N Rancho Drive, Las Vegas & 4075 North Rancho Drive, Las Vegas, NV)	Impaired – Solicitation Required
Class 25	Nevada Federal Credit Union (4145 N Rancho Dr, Las Vegas, NV and 4075 N. Rancho Drive, Las Vegas, NV)	Impaired – Solicitation Required
Class 26	Onewest Bank (1405 Vegas Valley Drive, #347, Las Vegas, NV 89169)	Impaired – Solicitation Required
Class 27	Onewest Bank (1405 Vegas Valley Drive, #85, Las Vegas, NV 89169)	Impaired – Solicitation Required
Class 28	PNC Mortgage (1414 Oliver Avenue, San Diego, California)	Unimpaired
Class 29	Wells Fargo Bank NV (4380 Sandy River Drive, #35, Las Vegas, NV)	Impaired – Solicitation Required

Class 30	Wells Fargo Hm Mortgage (2609 W French, San Antonio, Texas)	Impaired – Solicitation Required
Class 31	Wells Fargo Hm Mortgage (2613 W French, San Antonio, Texas)	Impaired – Solicitation Required
Class 32	Bella Vita HOA	Impaired – Solicitation Required
Class 33	Casa Vegas HOA	Impaired – Solicitation Required
Class 34	Creeside Owners Association	Impaired – Solicitation Required
Class 35	Pine Knott Owners Association	Impaired – Solicitation Required
Class 36	Rancho Alexander Business Park	Impaired – Solicitation Required
Class 37	Silverstone Ranch Association	Impaired – Solicitation Required
Class 38	Southern Highlands Comm Assoc.	Impaired – Solicitation Required
Class 39	Southern Highlands Comm Assoc.	Impaired – Solicitation Required
Class 40	Symphony HOA	Impaired – Solicitation Required
Class 41	General Unsecured Claims	Impaired – Solicitation Required

ARTICLE IV TREATMENT OF CLAIMS AND EQUITY INTERESTS

4.1.1. Class 1: Secured Tax Claims – Impaired.

Impairment and Voting. Class 1 consists of Secured Tax Claims. Class 2 consists of secured property taxes. The Debtors estimate that the secured property taxes are in the amount of \$30,754.12. The holders of Secured Tax Claims are impaired under the Plan; consequently, the holders of the Secured Tax Claims are entitled to vote on the Plan.

Treatment. All holders of Secured Tax Claims against the Debtors, whether prepetition or postpetition, to the extent such Claims are allowed by the Court shall retain their liens to the extent of the allowed amount of such Allowed Secured Tax Claim and be entitled to receive, on account of such Allowed Secured Tax Claim in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Tax Claim, equal monthly, consecutive cash payments beginning on the first Business Day of the month following the Effective Date, and continuing until completed no later than five (5) years after the date of the order for relief plus interest on any outstanding balance from the Effective Date under applicable nonbankruptcy law together with interest at the rate of 2% or the interest rate for 5 year treasury notes on the day of confirmation, whichever is higher. The payments will amortize the debt in 5 years.

4.1.2. Class 2: Americas Servicing Co. (7415 Vintage Hills, Austin, Texas) - Impaired.

1 Impairment and Voting. Class 2 consists of the Americas Servicing Co. Claim
2 relating to 7415 Vintage Hills, Austin, Texas. The Debtors estimate that Americas Servicing Co. has
3 a Claim in the amount of \$134,170.00 that is secured in the approximate amount of \$115,000.00.
4 The holder of the Americas Servicing Co. Claim is impaired under the Plan; consequently, the
5 holder of the Americas Servicing Co. Claim is entitled to vote on the Plan.

6 Treatment. Unless the holder of the Americas Servicing Co. elects treatment under
7 Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of
8 the Allowed Americas Servicing Co. Secured Claim shall (i) receive an Amended Americas
9 Servicing Co. Note and Amended Americas Servicing Co. Deed of Trust in an amount equal to
10 \$115,000 (the amount of the Allowed Secured Claim is determined on the assumption that the value
11 of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$115,000) payable in
12 equal monthly installments over 15 years bearing interest at the rate of 3.9%, and as a condition to
13 payment, Americas Servicing Co., or its successors in interest if applicable, shall execute and deliver
14 to Debtors all such documentation which Debtors deem necessary to effectuate a release of the
15 applicable Liens against the Collateral of Debtors, and (ii) receive an Allowed General Unsecured
16 Claim for the amount due it in excess of \$115,000, or approximately \$19,170.

17 However, if the holder of the Americas Servicing Co. Claim has elected the option for
18 treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
19 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
20 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
21 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
22 interest in the Collateral securing such Claim (\$115,000). By no later than the later of (a) the
23 Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors
24 shall execute and deliver to the holder of the Americas Servicing Co. Secured Claim an amended
25 non-recourse promissory note (the "Amended Americas Servicing Co. Election Note") evidencing
26 such payment terms and bearing a 4.57% interest rate.

27 If the holder of the Americas Servicing Co. Allowed Secured Claim has elected such
28 treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended

Americas Servicing Co. Election Note until such Amended Americas Servicing Co. Election Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Americas Servicing Co. Election Note, the holder thereof shall promptly execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended Americas Servicing Co. Election Note may be prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay the difference between the Americas Servicing Co. Allowed Claim and the outstanding balance remaining due under the Amended Americas Servicing Co. Election Note, plus the payments made to the present. The holder of the Americas Servicing Co. Secured Claim who has elected treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors. In the event of a default under the Amended Americas Servicing Co. Election Note, such recourse shall be limited to the Collateral to which such Liens are attached.

4.1.3. Class 3: Americas Servicing Co (7417 Vintage Hills, Austin, TX) - Impaired.

Impairment and Voting. Class 3 consists of the Americas Servicing Co. Claim relating to 7417 Vintage Hills, Austin, Texas. The Debtors estimate that Americas Servicing Co. has a Claim in the amount of \$134,174.00 that is secured in the approximate amount of \$115,000.00. The holder of the Americas Servicing Co. Claim is impaired under the Plan; consequently, the holder of the Americas Servicing Co. Claim is entitled to vote on the Plan.

Treatment. Unless the holder of the Americas Servicing Co. Claim elects treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of the Allowed Americas Servicing Co. Secured Claim shall (i) receive an Amended Americas Servicing Co. Note and Amended Americas Servicing Co. Deed of Trust in an amount equal to \$115,000 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$115,000) payable in equal monthly installments over the remaining 15 years bearing interest at the rate of 3.9%, and as a condition to payment, Americas Servicing Co., or its successors in interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release

1 of the applicable Liens against the Collateral of Debtors, and (ii) receive an Allowed General
 2 Unsecured Claim for the amount due it in excess of \$115,000, or approximately \$19,170.00.

3 However, if the holder of the Americas Servicing Co. Claim has elected the option for
 4 treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
 5 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
 6 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
 7 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
 8 interest in the Collateral securing such Claim (\$115,000). By no later than the later of (a) the
 9 Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors
 10 shall execute and deliver to the holder of the Americas Servicing Co. Secured Claim an amended
 11 non-recourse promissory note (the "Amended Americas Servicing Co. Election Note") evidencing
 12 such payment terms and bearing a 4.57% interest rate.

13 If the holder of the Americas Servicing Co. Allowed Secured Claim has elected such
 14 treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
 15 Americas Servicing Co. Election Note until such Amended Americas Servicing Co. Election Note is
 16 fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Americas
 17 Servicing Co. Election Note, the holder thereof shall promptly execute and deliver to Debtors all
 18 such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
 19 against Collateral of Debtors. The Amended Americas Servicing Co. Election Note may be prepaid
 20 by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay the
 21 difference between the Americas Servicing Co. Allowed Claim and the outstanding balance
 22 remaining due under the Amended Americas Servicing Co. Election Note, plus the payments made
 23 to the present. The holder of the Americas Servicing Co. Secured Claim who has elected treatment
 24 under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors. In the
 25 event of a default under the Amended Americas Servicing Co. Election Note, such recourse shall be
 26 limited to the Collateral to which such Liens are attached.

27 **4.1.4. Class 4: Bac Home Loans Servicing (39 E. Agate Ave., #207, Las Vegas,**
 28 **Nevada 89123) - Impaired.**

1 Impairment and Voting. Class 4 consists of the Bac Home Loans Servicing Claim
2 relating to 39 E. Agate Ave., #207, Las Vegas, Nevada 89123. The Debtors estimate that Bac Home
3 Loans Servicing has a Claim in the amount of \$127,544.00 that is secured in the approximate
4 amount of \$98,000.00. The holder of the Bac Home Loans Servicing Claim is impaired under the
5 Plan; consequently, the holder of the Bac Home Loans Servicing Claim is entitled to vote on the
6 Plan.

7 Treatment. Unless the holder of the Bac Home Loans Servicing Claim elects
8 treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim,
9 the holder of the Allowed Bac Home Loans Servicing Secured Claim shall (i) receive an Amended
10 Bac Home Loans Servicing Note and Amended Bac Home Loans Servicing Deed of Trust in an
11 amount equal to \$98,000 (the amount of the Allowed Secured Claim is determined on the assumption
12 that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$98,000)
13 payable in equal monthly installments over the remaining 15 years bearing interest at the rate of
14 3.9%, and as a condition to payment, Bac Home Loans Servicing, or its successors in interest if
15 applicable, shall execute and deliver to Debtors all such documentation which Debtors deem
16 necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and (ii)
17 receive an Allowed General Unsecured Claim for the amount due it in excess of \$98,000, or
18 approximately \$29,544.

19 However, if the holder of the Bac Home Loans Servicing Claim has elected the option
20 for treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
21 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
22 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
23 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
24 interest in the Collateral securing such Claim (\$98,000). By no later than the later of (a) the Effective
25 Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall
26 execute and deliver to the holder of the Bac Home Loans Servicing Secured Claim an amended non-
27 recourse promissory note (the "Amended Bac Home Loans Servicing Election Note") evidencing
28 such payment terms and bearing a 4.57% interest rate.

1 If the holder of the Bac Home Loans Servicing Allowed Secured Claim has elected
 2 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
 3 Bac Home Loans Servicing Election Note until such Amended Bac Home Loans Servicing Election
 4 Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Bac Home
 5 Loans Servicing Election Note, the holder thereof shall promptly execute and deliver to Debtors all
 6 such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
 7 against Collateral of Debtors. The Amended Bac Home Loans Servicing Election Note may be
 8 prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay
 9 the difference between the Bac Home Loans Servicing Allowed Claim and the outstanding balance
 10 remaining due under the Amended Bac Home Loans Servicing Election Note, plus the payments
 11 made to the present. The holder of the Bac Home Loans Servicing Secured Claim who has elected
 12 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
 13 In the event of a default under the Amended Bac Home Loans Servicing Election Note, such recourse
 14 shall be limited to the Collateral to which such Liens are attached.

15 **4.1.5. Class 5: Bac Home Loans Servicing (8824 Martin Downs Place, Las**
 16 **Vegas, Nevada 89131) - Impaired.**

17 Impairment and Voting. Class 5 consists of the Bac Home Loans Servicing Claim
 18 relating to a junior deed of trust recorded against 8824 Martin Downs Place, Las Vegas, Nevada
 19 89131. The Debtors estimate that Bac Home Loans Servicing has a claim of \$76,847 which amount
 20 is wholly unsecured. The holder of the Bac Home Loans Servicing Claim is impaired under the
 21 Plan; consequently, the holder of the Bac Home Loans Servicing Claim is entitled to vote on the
 22 Plan.

23 Treatment. The holder of the Bac Home Loans Servicing Claim shall be treated in
 24 accordance with holders of General Unsecured Claims.

25 **4.1.6. Class 6: Bac Home Loans Servicing (3125 Sequoia Avenue, Las Vegas,**
 26 **Nevada 89101) - Impaired.**

27 Impairment and Voting. Class 6 consists of the Bac Home Loans Servicing Claim
 28 relating to 3125 Sequoia Avenue, Las Vegas, Nevada 89101. The Debtors estimate that Bac Home

1 Loans Servicing has a Claim in the amount of \$137,867.00 that is secured in the approximate
2 amount of \$64,000.00. The holder of the Bac Home Loans Servicing Claim is impaired under the
3 Plan; consequently, the holder of the Bac Home Loans Servicing Claim is entitled to vote on the
4 Plan.

5 Treatment. Unless the holder of the Bac Home Loans Servicing Claim elects
6 treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim,
7 the holder of the Allowed Bac Home Loans Servicing Secured Claim shall (i) receive an Amended
8 Bac Home Loans Servicing Note and Amended Bac Home Loans Servicing Deed of Trust in an
9 amount equal to \$64,000 (the amount of the Allowed Secured Claim is determined on the assumption
10 that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$64,000)
11 payable in equal monthly installments over the remaining 15 years bearing interest at the rate of
12 3.9%, and as a condition to payment, Bac Home Loans Servicing, or its successors in interest if
13 applicable, shall execute and deliver to Debtors all such documentation which Debtors deem
14 necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and (ii)
15 receive an Allowed General Unsecured Claim for the amount due it in excess of \$64,000, or
16 approximately \$73,867.00.

17 However, if the holder of the Bac Home Loans Servicing Claim has elected the option
18 for treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
19 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
20 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
21 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
22 interest in the Collateral securing such Claim (\$64,000). By no later than the later of (a) the Effective
23 Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall
24 execute and deliver to the holder of the Bac Home Loans Servicing Secured Claim an amended non-
25 recourse promissory note (the "Amended Bac Home Loans Servicing Election Note") evidencing
26 such payment terms and bearing a 4.57% interest rate.

27 If the holder of the Bac Home Loans Servicing Allowed Secured Claim has elected
28 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended

Bac Home Loans Servicing Election Note until such Amended Bac Home Loans Servicing Election Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Bac Home Loans Servicing Election Note, the holder thereof shall promptly execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended Bac Home Loans Servicing Election Note may be prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay the difference between the Bac Home Loans Servicing Allowed Claim and the outstanding balance remaining due under the Amended Bac Home Loans Servicing Election Note, plus the payments made to the present. The holder of the Bac Home Loans Servicing Secured Claim who has elected treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors. In the event of a default under the Amended Bac Home Loans Servicing Election Note, such recourse shall be limited to the Collateral to which such Liens are attached.

4.1.7. Class 7: Bac Home Loans Servicing (3348 Palio Avenue, Las Vegas, Nevada 89122) - Impaired.

Impairment and Voting. Class 7 consists of the Bac Home Loans Servicing Claim relating to 3348 Palio Avenue, Las Vegas, Nevada 89122. The Debtors estimate that Bac Home Loans Servicing has a Claim in the amount of \$233,333.00 that is secured in the approximate amount of \$126,000.00. The holder of the Bac Home Loans Servicing Claim is impaired under the Plan; consequently, the holder of the Bac Home Loans Servicing Claim is entitled to vote on the Plan.

Treatment. Unless the holder of the Bac Home Loans Servicing Claim elects treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of the Allowed Bac Home Loans Servicing Secured Claim shall (i) receive an Amended Bac Home Loans Servicing Note and Amended Bac Home Loans Servicing Deed of Trust in an amount equal to \$126,000 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$126,000) payable in equal monthly installments over the remaining 15 years bearing interest at the rate of 3.9%, and as a condition to payment, Bac Home Loans Servicing, or its successors in

1 interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors
2 deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and
3 (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$126,000, or
4 approximately \$107,333.00.

5 However, if the holder of the Bac Home Loans Servicing Claim has elected the option
6 for treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
7 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
8 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
9 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
10 interest in the Collateral securing such Claim (\$126,000). By no later than the later of (a) the
11 Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors
12 shall execute and deliver to the holder of the Bac Home Loans Servicing Secured Claim an amended
13 non-recourse promissory note (the "Amended Bac Home Loans Servicing Election Note") evidencing
14 such payment terms and bearing a 4.57% interest rate.

15 If the holder of the Bac Home Loans Servicing Allowed Secured Claim has elected
16 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
17 Bac Home Loans Servicing Election Note until such Amended Bac Home Loans Servicing Election
18 Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Bac Home
19 Loans Servicing Election Note, the holder thereof shall promptly execute and deliver to Debtors all
20 such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
21 against Collateral of Debtors. The Amended Bac Home Loans Servicing Election Note may be
22 prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay
23 the difference between the Bac Home Loans Servicing Allowed Claim and the outstanding balance
24 remaining due under the Amended Bac Home Loans Servicing Election Note, plus the payments
25 made to the present. The holder of the Bac Home Loans Servicing Secured Claim who has elected
26 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
27 In the event of a default under the Amended Bac Home Loans Servicing Election Note, such recourse
28 shall be limited to the Collateral to which such Liens are attached.

4.1.8. Class 8: Bac Home Loans Servicing (Frisco Lane, Tupelo, MS) - Impaired.

Impairment and Voting. Class 8 consists of the Bac Home Loans Servicing Claim relating to Frisco Lane, Tupelo, Mississippi. The Debtors estimate that Bac Home Loans Servicing has a Claim in the amount of \$41,242.00 that is secured in the approximate amount of \$5,000.00. The holder of the Bac Home Loans Servicing Claim is impaired under the Plan; consequently, the holder of the Bac Home Loans Servicing Claim is entitled to vote on the Plan.

Treatment. Unless the holder of the Bac Home Loans Servicing Claim elects treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of the Allowed Bac Home Loans Servicing Secured Claim shall (i) receive an Amended Bac Home Loans Servicing Note and Amended Bac Home Loans Servicing Deed of Trust in an amount equal to \$5,000 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$5,000) payable in equal monthly installments over the remaining 15 years bearing interest at the rate of 3.9%, and as a condition to payment, Bac Home Loans Servicing, or its successors in interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$5,000, or approximately \$36,242.00.

However, if the holder of the Bac Home Loans Servicing Claim has elected the option for treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's interest in the Collateral securing such Claim (\$5,000). By no later than the later of (a) the Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall execute and deliver to the holder of the Bac Home Loans Servicing Secured Claim an amended non-recourse promissory note (the "Amended Bac Home Loans Servicing Election Note") evidencing

1 such payment terms and bearing a 4.57% interest rate.

2 If the holder of the Bac Home Loans Servicing Allowed Secured Claim has elected
3 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
4 Bac Home Loans Servicing Election Note until such Amended Bac Home Loans Servicing Election
5 Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Bac Home
6 Loans Servicing Election Note, the holder thereof shall promptly execute and deliver to Debtors all
7 such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
8 against Collateral of Debtors. The Amended Bac Home Loans Servicing Election Note may be
9 prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay
10 the difference between the Bac Home Loans Servicing Allowed Claim and the outstanding balance
11 remaining due under the Amended Bac Home Loans Servicing Election Note, plus the payments
12 made to the present. The holder of the Bac Home Loans Servicing Secured Claim who has elected
13 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
14 In the event of a default under the Amended Bac Home Loans Servicing Election Note, such recourse
15 shall be limited to the Collateral to which such Liens are attached.

16 **4.1.9. Class 9: Bac Home Loans Servicing (8824 Martin Downs Place, Las**
17 **Vegas, Nevada 89131) - Impaired.**

18 Impairment and Voting. Class 9 consists of the Bac Home Loans Servicing Claim
19 relating to 8824 Martin Downs Place, Las Vegas, Nevada 89131. The Debtors estimate that Bac
20 Home Loans Servicing has a Claim in the amount of \$257,198.00 that is secured in the approximate
21 amount of \$153,000.00. The holder of the Bac Home Loans Servicing Claim is impaired under the
22 Plan; consequently, the holder of the Bac Home Loans Servicing Claim is entitled to vote on the
23 Plan.

24 Treatment. Unless the holder of the Bac Home Loans Servicing Claim elects
25 treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim,
26 the holder of the Allowed Bac Home Loans Servicing Secured Claim shall (i) receive an Amended
27 Bac Home Loans Servicing Note and Amended Bac Home Loans Servicing Deed of Trust in an
28 amount equal to \$153,000 (the amount of the Allowed Secured Claim is determined on the

1 assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal
2 to \$153,000) payable in equal monthly installments over the remaining 15 years bearing interest at
3 the rate of 3.9%, and as a condition to payment, Bac Home Loans Servicing, or its successors in
4 interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors
5 deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and
6 (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$153,000, or
7 approximately \$104,198.00.

8 However, if the holder of the Bac Home Loans Servicing Claim has elected the option
9 for treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
10 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
11 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
12 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
13 interest in the Collateral securing such Claim (\$153,000). By no later than the later of (a) the
14 Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors
15 shall execute and deliver to the holder of the Bac Home Loans Servicing Secured Claim an amended
16 non-recourse promissory note (the "Amended Bac Home Loans Servicing Election Note") evidencing
17 such payment terms and bearing a 4.57% interest rate.

18 If the holder of the Bac Home Loans Servicing Allowed Secured Claim has elected
19 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
20 Bac Home Loans Servicing Election Note until such Amended Bac Home Loans Servicing Election
21 Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Bac Home
22 Loans Servicing Election Note, the holder thereof shall promptly execute and deliver to Debtors all
23 such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
24 against Collateral of Debtors. The Amended Bac Home Loans Servicing Election Note may be
25 prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay
26 the difference between the Bac Home Loans Servicing Allowed Claim and the outstanding balance
27 remaining due under the Amended Bac Home Loans Servicing Election Note, plus the payments
28 made to the present. The holder of the Bac Home Loans Servicing Secured Claim who has elected

1 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
 2 In the event of a default under the Amended Bac Home Loans Servicing Election Note, such recourse
 3 shall be limited to the Collateral to which such Liens are attached.

4 **4.1.10. Class 10: Bac Home Loans Servicing (2606 S. Durango Drive, #187, Las**
 5 **Vegas, Nevada 89122) - Impaired.**

6 Impairment and Voting. Class 10 consists of the Bac Home Loans Servicing Claim
 7 relating to 2606 S. Durango Drive, #187, Las Vegas, Nevada 89122. The Debtors estimate that Bac
 8 Home Loans Servicing has a Claim in the amount of \$39,000.00 that is secured in the approximate
 9 amount of \$67,363.00. The holder of the Bac Home Loans Servicing Claim is impaired under the
 10 Plan; consequently, the holder of the Bac Home Loans Servicing Claim is entitled to vote on the
 11 Plan.

12 Treatment. Unless the holder of the Bac Home Loans Servicing Claim elects
 13 treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim,
 14 the holder of the Allowed Bac Home Loans Servicing Secured Claim shall (i) receive an Amended
 15 Bac Home Loans Servicing Note and Amended Bac Home Loans Servicing Deed of Trust in an
 16 amount equal to \$39,000 (the amount of the Allowed Secured Claim is determined on the assumption
 17 that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$39,000)
 18 payable in equal monthly installments over the remaining 15 years bearing interest at the rate of
 19 3.9%, and as a condition to payment, Bac Home Loans Servicing, or its successors in interest if
 20 applicable, shall execute and deliver to Debtors all such documentation which Debtors deem
 21 necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and (ii)
 22 receive an Allowed General Unsecured Claim for the amount due it in excess of \$39,000, or
 23 approximately \$28,363.00.

24 However, if the holder of the Bac Home Loans Servicing has elected the option for
 25 treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
 26 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
 27 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
 28 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's

1 interest in the Collateral securing such Claim (\$39,000). By no later than the later of (a) the Effective
 2 Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall
 3 execute and deliver to the holder of the Bac Home Loans Servicing Secured Claim an amended non-
 4 recourse promissory note (the "Amended Bac Home Loans Servicing Election Note") evidencing
 5 such payment terms and bearing a 4.57% interest rate.

6 If the holder of the Bac Home Loans Servicing Allowed Secured Claim has elected
 7 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
 8 Bac Home Loans Servicing Election Note until such Amended Bac Home Loans Servicing Election
 9 Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Bac Home
 10 Loans Servicing Election Note, the holder thereof shall promptly execute and deliver to Debtors all
 11 such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
 12 against Collateral of Debtors. The Amended Bac Home Loans Servicing Election Note may be
 13 prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay
 14 the difference between the Bac Home Loans Servicing Allowed Claim and the outstanding balance
 15 remaining due under the Amended Bac Home Loans Servicing Election Note, plus the payments
 16 made to the present. The holder of the Bac Home Loans Servicing Secured Claim who has elected
 17 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
 18 In the event of a default under the Amended Bac Home Loans Servicing Election Note, such recourse
 19 shall be limited to the Collateral to which such Liens are attached.

20 **4.1.11. Class 11: Chase (7918 Mainland Woods, San Antonio Texas) - Impaired.**

21 Impairment and Voting. Class 11 consists of the Chase Claim relating to 7918
 22 Mainland Woods, San Antonio Texas. The Debtors estimate that Chase has a Claim in the amount of
 23 \$133,717.00 that is secured in the approximate amount of \$125,000.00. The holder of the Chase
 24 Claim is impaired under the Plan; consequently, the holder of the Chase Claim is entitled to vote on
 25 the Plan.

26 Treatment. Unless the holder of the Chase Claim elects treatment under Section
 27 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of the
 28 Allowed Chase Claim shall (i) receive an Amended Chase Note and Amended Chase Deed of Trust

1 in an amount equal to \$125,000 (the amount of the Allowed Secured Claim is determined on the
2 assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal
3 to \$125,000) payable in equal monthly installments over the remaining 15 years bearing interest at
4 the rate of 3.9%, and as a condition to payment, Chase, or its successors in interest if applicable, shall
5 execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate
6 a release of the applicable Liens against the Collateral of Debtors, and (ii) receive an Allowed
7 General Unsecured Claim for the amount due it in excess of \$125,000, or approximately \$8,717.00.

8 However, if the holder of the Chase Claim elected the option for treatment under
9 Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the holder of
10 the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly installments
11 over a period of 30 years, deferred cash payments totaling at least the amount of the Allowed Claim,
12 with a value as of the Effective Date of at least the holder's interest in the estate's interest in the
13 Collateral securing such Claim (\$125,000). By no later than the later of (a) the Effective Date or (b)
14 fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall execute and
15 deliver to the holder of the Chase Secured Claim an amended non-recourse promissory note (the
16 "Amended Chase Election Note") evidencing such payment terms and bearing a 4.57% interest rate.

17 If the holder of the Chase Allowed Secured Claim has elected such treatment under
18 Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended Chase Election Note
19 until such Amended Chase Election Note is fully paid or until the holder otherwise agrees. Upon
20 satisfaction of the Amended Chase Election Note, the holder thereof shall promptly execute and
21 deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release of
22 the holder's Liens against Collateral of Debtors. The Amended Chase Election Note may be prepaid
23 by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay the
24 difference between the Chase Allowed Claim and the outstanding balance remaining due under the
25 Amended Chase Election Note, plus the payments made to the present. The holder of the Chase
26 Secured Claim who has elected treatment under Section 1111(b)(2) of the Bankruptcy Code shall
27 have no recourse against Debtors. In the event of a default under the Amended Chase Election Note,
28 such recourse shall be limited to the Collateral to which such Liens are attached.

4.1.12. Class 12: EMC Mortgage (1405 Vegas Valley Drive, #85, Las Vegas, Nevada 89169) - Impaired.

Impairment and Voting. Class 12 consists of the EMC Mortgage Claim relating to a junior deed of trust recorded against 1405 Vegas Valley Drive, #85, Las Vegas, Nevada 89169. The Debtors estimate that EMC Mortgage has a claim of \$26,480 which amount is wholly unsecured. The holder of the EMC Mortgage Claim is impaired under the Plan; consequently, the holder of the EMC Mortgage Claim is entitled to vote on the Plan.

Treatment. The holder of the EMC Mortgage Claim shall be treated in accordance with holders of General Unsecured Claims.

4.1.13. Class 13: EMC Mortgage (1405 Vegas Valley Drive, #347, Las Vegas, Nevada 89169) - Impaired.

Impairment and Voting. Class 13 consists of the EMC Mortgage Claim relating to a junior deed of trust recorded against 1405 Vegas Valley Drive, #347, Las Vegas, Nevada 89169. The Debtors estimate that EMC Mortgage has a claim of \$26,480 which amount is wholly unsecured. The holder of the EMC Mortgage Claim is impaired under the Plan; consequently, the holder of the EMC Mortgage Claim is entitled to vote on the Plan.

Treatment. The holder of the EMC Mortgage Claim shall be treated in accordance with holders of General Unsecured Claims.

4.1.14. Class 14: Flagstar Bank (3807 Aspen Creek Avenue, Las Vegas, Nevada 89031) - Impaired.

Impairment and Voting. Class 14 consists of the Flagstar Bank Claim relating to 3807 Aspen Creek Avenue, Las Vegas, Nevada 89031. The Debtors estimate that Flagstar Bank has a Claim in the amount of \$224,800.00 that is secured in the approximate amount of \$122,000.00. The holder of the Flagstar Bank Claim is impaired under the Plan; consequently, the holder of the Flagstar Bank Claim is entitled to vote on the Plan.

Treatment. Unless the holder of the Flagstar Bank Claim elects treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of the Allowed Flagstar Bank Claim shall (i) receive an Amended Flagstar Bank Note and Amended

1 Flagstar Bank Deed of Trust in an amount equal to \$122,000 (the amount of the Allowed Secured
2 Claim is determined on the assumption that the value of such Claimant's interest in the Debtors'
3 interest in the Collateral is equal to \$122,000) payable in equal monthly installments over 15 years
4 bearing interest at the rate of 3.9%, and as a condition to payment, Flagstar Bank, or its successors in
5 interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors
6 deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and
7 (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$122,000, or
8 approximately \$102,800.00.

9 However, if the holder of the Flagstar Bank Claim elected the option for treatment
10 under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the
11 holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly
12 installments over a period of 30 years, deferred cash payments totaling at least the amount of the
13 Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
14 interest in the Collateral securing such Claim (\$122,000). By no later than the later of (a) the
15 Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors
16 shall execute and deliver to the holder of the Flagstar Bank Secured Claim an amended non-recourse
17 promissory note (the "Amended Flagstar Bank Election Note") evidencing such payment terms and
18 bearing a 4.57% interest rate.

19 If the holder of the Flagstar Bank Allowed Secured Claim has elected such treatment
20 under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended Flagstar Bank
21 Election Note until such Amended Flagstar Bank Election Note is fully paid or until the holder
22 otherwise agrees. Upon satisfaction of the Amended Flagstar Bank Election Note, the holder thereof
23 shall promptly execute and deliver to Debtors all such documentation which Debtors deem
24 necessary to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended
25 Flagstar Bank Election Note may be prepaid by Debtors or on behalf of Debtors at any time without
26 penalty; however, Debtors must pay the difference between the Flagstar Bank Allowed Claim and
27 the outstanding balance remaining due under the Amended Flagstar Bank Election Note, plus the
28 payments made to the present. The holder of the Flagstar Bank Secured Claim who has elected

1 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
 2 In the event of a default under the Amended Flagstar Bank Election Note, such recourse shall be
 3 limited to the Collateral to which such Liens are attached.

4 **4.1.15. Class 15: Flagstar Bank (3334 Palio Avenue, Las Vegas, Nevada 89031) -**
 5 **Impaired.**

6 Impairment and Voting. Class 15 consists of the Flagstar Bank Claim relating to 3334
 7 Palio Avenue, Las Vegas, Nevada 89031. The Debtors estimate that Flagstar Bank has a Claim in
 8 the amount of \$223,300.00 that is secured in the approximate amount of \$132,000.00. The holder of
 9 the Flagstar Bank Claim is impaired under the Plan; consequently, the holder of the Flagstar Bank
 10 Claim is entitled to vote on the Plan.

11 Treatment. Unless the holder of the Flagstar Bank Claim elects treatment under
 12 Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of
 13 the Allowed Flagstar Bank Claim shall (i) receive an Amended Flagstar Bank Note and Amended
 14 Flagstar Bank Deed of Trust in an amount equal to \$132,000 (the amount of the Allowed Secured
 15 Claim is determined on the assumption that the value of such Claimant's interest in the Debtors'
 16 interest in the Collateral is equal to \$132,000) payable in equal monthly installments over 15 years
 17 bearing interest at the rate of 3.9%, and as a condition to payment, Flagstar Bank, or its successors in
 18 interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors
 19 deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and
 20 (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$132,000, or
 21 approximately \$111,300.00.

22 However, if the holder of the Flagstar Bank Claim elected the option for treatment
 23 under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the
 24 holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly
 25 installments over a period of 30 years, deferred cash payments totaling at least the amount of the
 26 Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
 27 interest in the Collateral securing such Claim (\$132,000). By no later than the later of (a) the
 28 Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors

1 shall execute and deliver to the holder of the Flagstar Bank Secured Claim an amended non-recourse
 2 promissory note (the "Amended Flagstar Bank Election Note") evidencing such payment terms and
 3 bearing a 4.57% interest rate.

4 If the holder of the Flagstar Bank Allowed Secured Claim has elected such treatment
 5 under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended Flagstar Bank
 6 Election Note until such Amended Flagstar Bank Election Note is fully paid or until the holder
 7 otherwise agrees. Upon satisfaction of the Amended Flagstar Bank Election Note, the holder thereof
 8 shall promptly execute and deliver to Debtors all such documentation which Debtors deem necessary
 9 to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended Flagstar
 10 Bank Election Note may be prepaid by Debtors or on behalf of Debtors at any time without penalty;
 11 however, Debtors must pay the difference between the Flagstar Bank Allowed Claim and the
 12 outstanding balance remaining due under the Amended Flagstar Bank Election Note, plus the
 13 payments made to the present. The holder of the Flagstar Bank Secured Claim who has elected
 14 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
 15 In the event of a default under the Amended Flagstar Bank Election Note, such recourse shall be
 16 limited to the Collateral to which such Liens are attached.

17 **4.1.16. Class 16: Flagstar Bank (5301 Sly Fox Court, Las Vegas, Nevada) -**
 18 **Impaired.**

19 Impairment and Voting. Class 16 consists of the Flagstar Bank Claim relating to 5301
 20 Sly Fox Court, Las Vegas, Nevada. The Debtors estimate that Flagstar Bank has a Claim in the
 21 amount of \$224,000.00 that is secured in the approximate amount of \$132,000.00. The holder of the
 22 Flagstar Bank Claim is impaired under the Plan; consequently, the holder of the Flagstar Bank Claim
 23 is entitled to vote on the Plan.

24 Treatment. Unless the holder of the Flagstar Bank Claim elects treatment under
 25 Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of
 26 the Allowed Flagstar Bank Claim shall (i) receive an Amended Flagstar Bank Note and Amended
 27 Flagstar Bank Deed of Trust in an amount equal to \$132,000 (the amount of the Allowed Secured
 28 Claim is determined on the assumption that the value of such Claimant's interest in the Debtors'

1 interest in the Collateral is equal to \$132,000) payable in equal monthly installments over 15 years
2 bearing interest at the rate of 3.9%, and as a condition to payment, Flagstar Bank, or its successors in
3 interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors
4 deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and
5 (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$132,000, or
6 approximately \$92,000.00.

7 However, if the holder of the Flagstar Bank Claim elected the option for treatment
8 under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the
9 holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly
10 installments over a period of 30 years, deferred cash payments totaling at least the amount of the
11 Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
12 interest in the Collateral securing such Claim (\$132,000). By no later than the later of (a) the
13 Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors
14 shall execute and deliver to the holder of the Flagstar Bank Secured Claim an amended non-recourse
15 promissory note (the "Amended Flagstar Bank Election Note") evidencing such payment terms and
16 bearing a 4.57% interest rate.

17 If the holder of the Flagstar Bank Allowed Secured Claim has elected such treatment
18 under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended Flagstar Bank
19 Election Note until such Amended Flagstar Bank Election Note is fully paid or until the holder
20 otherwise agrees. Upon satisfaction of the Amended Flagstar Bank Election Note, the holder thereof
21 shall promptly execute and deliver to Debtors all such documentation which Debtors deem
22 necessary to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended
23 Flagstar Bank Election Note may be prepaid by Debtors or on behalf of Debtors at any time without
24 penalty; however, Debtors must pay the difference between the Flagstar Bank Allowed Claim and
25 the outstanding balance remaining due under the Amended Flagstar Bank Election Note, plus the
26 payments made to the present. The holder of the Flagstar Bank Secured Claim who has elected
27 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
28 In the event of a default under the Amended Flagstar Bank Election Note, such recourse shall be

1 limited to the Collateral to which such Liens are attached.

2 **4.1.17. Class 17: Green Tree (7417 Vintage Hills, Austin, Texas) - Impaired.**

3 Impairment and Voting. Class 17 consists of the Green Tree Claim relating to a junior
4 deed of trust recorded against 7417 Vintage Hills, Austin, Texas. The Debtors estimate that Green
5 Tree has a claim of \$20,206 which amount is wholly unsecured. The holder of the Green Tree
6 Claim is impaired under the Plan; consequently, the holder of the Green Tree Claim is entitled to
7 vote on the Plan.

8 Treatment. The holder of the Green Tree Claim shall be treated in accordance with
9 holders of General Unsecured Claims.

10 **4.1.18. Class 18: Green Tree (7415 Vintage Hills, Austin, Texas) - Impaired.**

11 Impairment and Voting. Class 18 consists of the Green Tree Claim relating to a junior
12 deed of trust recorded against 7415 Vintage Hills, Austin, Texas. The Debtors estimate that Green
13 Tree has a claim of \$20,206 which amount is wholly unsecured. The holder of the Green Tree
14 Claim is impaired under the Plan; consequently, the holder of the Green Tree Claim is entitled to
15 vote on the Plan.

16 Treatment. The holder of the Green Tree Claim shall be treated in accordance with
17 holders of General Unsecured Claims.

18 **4.1.19. Class 19: Interval Servicing (HOA Lien Timeshare - the Royal**
19 **Caribbean- Interval 19) - Impaired.**

20 Impairment and Voting. Class 19 consists of the Interval Servicing Claim relating to a
21 HOA lien on a timeshare for the Royal Caribbean- Interval 19. The holder of the Interval Servicing
22 Claim is impaired under the Plan; consequently, the holder of the Interval Servicing Claim is entitled
23 to vote on the Plan.

24 Treatment. The holder of the Interval Servicing Claim shall receive any and all of its
25 collateral on the timeshare in full and complete satisfaction of its claim.

26 **4.1.20. Class 20: Interval Servicing (HOA Lien Timeshare - the Royal**
27 **Caribbean- Interval 20) - Impaired.**

28 Impairment and Voting. Class 20 consists of the Interval Servicing Claim relating to a

1 HOA lien on a timeshare for the Royal Caribbean- Interval 20. The holder of the Interval Servicing
 2 Claim is impaired under the Plan; consequently, the holder of the Interval Servicing Claim is entitled
 3 to vote on the Plan.

4 Treatment. The holder of the Interval Servicing Claim shall receive any and all of its
 5 collateral on the timeshare in full and complete satisfaction of its claim.

6 **4.1.21. Class 21: M&T Bank (241 Kilpatrick Street, Baldwin, Mississippi 38824)**

7 **- Impaired.**

8 Impairment and Voting. Class 21 consists of the M&T Bank Claim relating to 241
 9 Kilpatrick Street, Baldwin, Mississippi 38824. The Debtors estimate that M&T Bank has a Claim in
 10 the amount of \$415,704.00 that is secured in the approximate amount of \$350,000.00. The holder of
 11 the M&T Bank Claim is impaired under the Plan; consequently, the holder of the M&T Bank Claim
 12 is entitled to vote on the Plan.

13 Treatment. Unless the holder of the M&T Bank Claim elects treatment under
 14 Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of
 15 the Allowed M&T Bank Claim shall (i) receive an Amended M&T Bank Note and Amended M&T
 16 Bank Deed of Trust in an amount equal to \$350,000 (the amount of the Allowed Secured Claim is
 17 determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the
 18 Collateral is equal to \$350,000) payable in equal monthly installments over 15 years bearing interest
 19 at the rate of 3.9%, and as a condition to payment, M&T Bank, or its successors in interest if
 20 applicable, shall execute and deliver to Debtors all such documentation which Debtors deem
 21 necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and (ii)
 22 receive an Allowed General Unsecured Claim for the amount due it in excess of \$350,000, or
 23 approximately \$65,704.00.

24 However, if the holder of the M&T Bank Claim elected the option for treatment under
 25 Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the holder of
 26 the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly installments
 27 over a period of 30 years, deferred cash payments totaling at least the amount of the Allowed Claim,
 28 with a value as of the Effective Date of at least the holder's interest in the estate's interest in the

Collateral securing such Claim (\$350,000). By no later than the later of (a) the Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall execute and deliver to the holder of the M&T Bank Secured Claim an amended non-recourse promissory note (the "Amended M&T Bank Election Note") evidencing such payment terms and bearing a 4.57% interest rate.

If the holder of the M&T Bank Allowed Secured Claim has elected such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended M&T Bank Election Note until such Amended M&T Bank Election Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended M&T Bank Election Note, the holder thereof shall promptly execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended M&T Bank Election Note may be prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay the difference between the M&T Bank Allowed Claim and the outstanding balance remaining due under the Amended M&T Bank Election Note, plus the payments made to the present. The holder of the M&T Bank Secured Claim who has elected treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors. In the event of a default under the Amended M&T Bank Election Note, such recourse shall be limited to the Collateral to which such Liens are attached.

4.1.22. Class 22: NCB (1414 Oliver Avenue, San Diego, California) - Unimpaired.

Impairment and Voting. Class 22 consists of the NCB Claim relating to 1414 Oliver Avenue, San Diego, California, the Debtors' primary residence. The Debtors estimate that NCB Bank has a Claim in the amount of \$200,192.00 that is secured in the approximate amount of \$550,000.00. The holder of the NCB Claim is not impaired under the Plan; consequently, the holder of the NCB Claim is not entitled to vote on the Plan.

Treatment. The holder of the NCB Claim shall continue to receive payments under the applicable promissory note and deed of trust.

4.1.23. Class 23: Nevada Federal Credit Union (4075 N. Rancho Drive, Las Vegas, Nevada) - Impaired.

Impairment and Voting. Class 23 consists of the Nevada Federal Credit Union Claim relating to 4075 N. Rancho Drive, Las Vegas, Nevada. The Debtors estimate that Nevada Federal Credit Union has a Claim in the amount of \$1,379,715.00 that is fully secured. The holder of the Nevada Federal Credit Union is impaired under the Plan; consequently, the holder of the Nevada Federal Credit Union entitled to vote on the Plan.

Treatment. In full and final satisfaction of its Claim, the holder of the Allowed Nevada Federal Credit Union Claim shall (i) receive an Amended Nevada Federal Credit Union Note and Amended Nevada Federal Credit Union Deed of Trust in an amount equal to \$1,379,715 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$1,379,715) payable in interest only at the rate of 5% per annum and equal monthly installments over a period of 30 years, deferred cash payments paying \$1,379,715 plus interest at the rate of 5.5%.

4.1.24. Class 24: Nevada Federal Credit Union (4145 N. Rancho Drive, Las Vegas & 4075 North Rancho Drive, Las Vegas, Nevada) - Impaired.

Impairment and Voting. Class 24 consists of the Nevada Federal Credit Union Claim relating to a junior deed of trust recorded against 4145 N. Rancho Drive, Las Vegas & 4075 North Rancho Drive, Las Vegas, Nevada. The Debtors estimate that Nevada Federal Credit Union has a claim of \$180,000 which may be unsecured. The holder of the Nevada Federal Credit Union Claim is impaired under the Plan; consequently, the holder of the Nevada Federal Credit Union Claim is entitled to vote on the Plan.

Treatment. In full and final satisfaction of its Claim, the holder of the Allowed Nevada Federal Credit Union Claim shall (i) receive an Amended Nevada Federal Credit Union Note and Amended Nevada Federal Credit Union Deed of Trust in an amount equal to \$1,379,715 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$1,379,715) payable in interest only at the rate of 5% per annum and equal monthly installments over a period of 30 years, deferred cash payments paying \$1,379,715 plus interest at the rate of 5.5%.

4.1.25. Class 25: Nevada Federal Credit Union (4145 N. Rancho Dr., Las Vegas,

Nevada and 4075 N. Rancho Drive, Las Vegas, Nevada) - Impaired.

Impairment and Voting. Class 25 consists of the Nevada Federal Credit Union Claim relating to 4145 N. Rancho Dr., Las Vegas, Nevada and 4075 N. Rancho Drive, Las Vegas, Nevada. The Debtors estimate that Nevada Federal Credit Union has a Claim in the amount of \$1,625,893.00 which may be fully secured. The holder of the Nevada Federal Credit Union Claim is impaired under the Plan; consequently, the holder of the Nevada Federal Credit Union Claim is entitled to vote on the Plan.

Treatment. In full and final satisfaction of its Claim, the holder of the Allowed Nevada Federal Credit Union Claim shall (i) receive an Amended Nevada Federal Credit Union Note and Amended Nevada Federal Credit Union Deed of Trust in an amount equal to \$1,379,715 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$1,379,715) payable in interest only at the rate of 5% per annum and equal monthly installments over a period of 30 years, deferred cash payments paying \$1,379,715 plus interest at the rate of 5.5%.

4.1.26. Class 26: Onewest Bank (1405 Vegas Valley Drive, #347, Las Vegas, Nevada 89169) - Impaired.

Impairment and Voting. Class 26 consists of the Onewest Bank Claim relating to 1405 Vegas Valley Drive, #347, Las Vegas, Nevada 89169. The Debtors estimate that Onewest Bank has a Claim in the amount of \$57,803.00 that is secured in the approximate amount of \$23,000.00. The holder of the Onewest Bank Claim is impaired under the Plan; consequently, the holder of the Onewest Bank Claim is entitled to vote on the Plan.

Treatment. Unless the holder of the Onewest Bank Claim elects treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of the Allowed Onewest Bank Claim shall (i) receive an Amended Onewest Bank Note and Amended Onewest Bank Deed of Trust in an amount equal to \$23,000.000 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$23,000) payable in equal monthly installments over 15 years bearing interest at the rate of 3.9%, and as a condition to payment, Onewest Bank, or its successors in

1 interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors
 2 deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and
 3 (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$23,00,000, or
 4 approximately \$34,803.00.

5 However, if the holder of the Onewest Bank Claim elected the option for treatment
 6 under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the
 7 holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly
 8 installments over a period of 30 years, deferred cash payments totaling at least the amount of the
 9 Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
 10 interest in the Collateral securing such Claim (\$23,000). By no later than the later of (a) the Effective
 11 Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall
 12 execute and deliver to the holder of the Onewest Bank Secured Claim an amended non-recourse
 13 promissory note (the "Amended Onewest Bank Election Note") evidencing such payment terms and
 14 bearing a 4.57% interest rate.

15 If the holder of the Onewest Bank Allowed Secured Claim has elected such treatment
 16 under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended Onewest Bank
 17 Election Note until such Amended Onewest Bank Election Note is fully paid or until the holder
 18 otherwise agrees. Upon satisfaction of the Amended Onewest Bank Election Note, the holder thereof
 19 shall promptly execute and deliver to Debtors all such documentation which Debtors deem necessary
 20 to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended Onewest
 21 Bank Election Note may be prepaid by Debtors or on behalf of Debtors at any time without penalty;
 22 however, Debtors must pay the difference between the Onewest Bank Allowed Claim and the
 23 outstanding balance remaining due under the Amended Onewest Bank Election Note, plus the
 24 payments made to the present. The holder of the Onewest Bank Secured Claim who has elected
 25 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
 26 In the event of a default under the Amended Onewest Bank Election Note, such recourse shall be
 27 limited to the Collateral to which such Liens are attached.

28 **4.1.27. Class 27: Onewest Bank (1405 Vegas Valley Drive, #85, Las Vegas,**

Nevada 89169) - Impaired.

Impairment and Voting. Class 27 consists of the Onewest Bank Claim relating to 1405 Vegas Valley Drive, #85, Las Vegas, Nevada 89169. The Debtors estimate that Onewest Bank has a Claim in the amount of \$57,800.00 that is secured in the approximate amount of \$23,000.00. The holder of the Onewest Bank Claim is impaired under the Plan; consequently, the holder of the Onewest Bank Claim is entitled to vote on the Plan.

Treatment. Unless the holder of the Onewest Bank Claim elects treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the holder of the Allowed Onewest Bank Claim shall (i) receive an Amended Onewest Bank Note and Amended Onewest Bank Deed of Trust in an amount equal to \$23,000.000 (the amount of the Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$23,000) payable in equal monthly installments over 15 years bearing interest at the rate of 3.9%, and as a condition to payment, Onewest Bank, or its successors in interest if applicable, shall execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release of the applicable Liens against the Collateral of Debtors, and (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of \$23,00,000, or approximately \$34,800.00.

However, if the holder of the Onewest Bank Claim elected the option for treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's interest in the Collateral securing such Claim (\$23,000). By no later than the later of (a) the Effective Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall execute and deliver to the holder of the Onewest Bank Secured Claim an amended non-recourse promissory note (the "Amended Onewest Bank Election Note") evidencing such payment terms and bearing a 4.57% interest rate.

If the holder of the Onewest Bank Allowed Secured Claim has elected such treatment

under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended Onewest Bank Election Note until such Amended Onewest Bank Election Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Onewest Bank Election Note, the holder thereof shall promptly execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate a release of the holder's Liens against Collateral of Debtors. The Amended Onewest Bank Election Note may be prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay the difference between the Onewest Bank Allowed Claim and the outstanding balance remaining due under the Amended Onewest Bank Election Note, plus the payments made to the present. The holder of the Onewest Bank Secured Claim who has elected treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors. In the event of a default under the Amended Onewest Bank Election Note, such recourse shall be limited to the Collateral to which such Liens are attached.

4.1.28. Class 28: PNC Mortgage (1414 Oliver Avenue, San Diego, California) - Unimpaired.

Impairment and Voting. Class 29 consists of the PNC Mortgage Claim relating to the senior deed of trust on 1414 Oliver Avenue, San Diego, California, the Debtors' primary residence. The Debtors estimate that PNC Mortgage has a Claim in the amount of \$259,240.00 that is secured in the approximate amount of \$550,000.00. The holder of the PNC Mortgage Claim is not impaired under the Plan; consequently, the holder of the PNC Mortgage Claim is not entitled to vote on the Plan.

Treatment. The holder of the PNC Mortgage Claim shall continue to receive payments under the applicable promissory note and deed of trust.

4.1.29. Class 29: Wells Fargo Bank NV (4380 Sandy River Drive, #35, Las Vegas, Nevada) - Impaired.

Impairment and Voting. Class 29 consists of the Wells Fargo Bank Claim relating to 4380 Sandy River Drive, #35, Las Vegas, Nevada. The Debtors estimate that Wells Fargo Bank has a Claim in the amount of \$76,157.00 that is secured in the approximate amount of \$50,000.00. The holder of the Wells Fargo Bank Claim is impaired under the Plan; consequently, the holder of the

1 Wells Fargo Bank Claim is entitled to vote on the Plan.

2 Treatment. Unless the holder of the Wells Fargo Bank Claim elects treatment
3 under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim, the
4 holder of the Allowed Wells Fargo Bank Claim shall (i) receive an Amended Wells Fargo Bank Note
5 and Amended Wells Fargo Bank Deed of Trust in an amount equal to \$50,000.000 (the amount of the
6 Allowed Secured Claim is determined on the assumption that the value of such Claimant's interest in
7 the Debtors' interest in the Collateral is equal to \$50,000) payable in equal monthly installments over
8 15 years bearing interest at the rate of 3.9%, and as a condition to payment, Wells Fargo Bank, or its
9 successors in interest if applicable, shall execute and deliver to Debtors all such documentation
10 which Debtors deem necessary to effectuate a release of the applicable Liens against the Collateral
11 of Debtors, and (ii) receive an Allowed General Unsecured Claim for the amount due it in excess of
12 \$50,00,000, or approximately \$26,157.00.

13 However, if the holder of the Wells Fargo Bank Claim elected the option for treatment
14 under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule 3014, the
15 holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal monthly
16 installments over a period of 30 years, deferred cash payments totaling at least the amount of the
17 Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
18 interest in the Collateral securing such Claim (\$50,000). By no later than the later of (a) the Effective
19 Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall
20 execute and deliver to the holder of the Wells Fargo Bank Secured Claim an amended non-recourse
21 promissory note (the "Amended Wells Fargo Bank Election Note") evidencing such payment terms
22 and bearing a 4.57% interest rate.

23 If the holder of the Wells Fargo Bank Allowed Secured Claim has elected such
24 treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
25 Wells Fargo Bank Election Note until such Amended Wells Fargo Bank Election Note is fully paid or
26 until the holder otherwise agrees. Upon satisfaction of the Amended Wells Fargo Bank Election
27 Note, the holder thereof shall promptly execute and deliver to Debtors all such documentation which
28 Debtors deem necessary to effectuate a release of the holder's Liens against Collateral of Debtors.

1 The Amended Wells Fargo Bank Election Note may be prepaid by Debtors or on behalf of Debtors
 2 at any time without penalty; however, Debtors must pay the difference between the Wells Fargo
 3 Bank Allowed Claim and the outstanding balance remaining due under the Amended Wells Fargo
 4 Bank Election Note, plus the payments made to the present. The holder of the Wells Fargo Bank
 5 Secured Claim who has elected treatment under Section 1111(b)(2) of the Bankruptcy Code shall
 6 have no recourse against Debtors. In the event of a default under the Amended Wells Fargo Bank
 7 Election Note, such recourse shall be limited to the Collateral to which such Liens are attached.

8 **4.1.30. Class 30: Wells Fargo Hm Mortgage (2609 W. French, San Antonio,**
 9 **Texas) - Impaired.**

10 Impairment and Voting. Class 31 consists of the Wells Fargo Hm Mortgage Claim
 11 relating to 2609 W. French, San Antonio, Texas. The Debtors estimate that the Wells Fargo Hm
 12 Mortgage has a Claim in the amount of \$64,520.00 that is secured in the approximate amount of
 13 \$60,000.00. The holder of the Wells Fargo Hm Mortgage Claim is impaired under the Plan;
 14 consequently, the holder of the Wells Fargo Hm Mortgage Claim is entitled to vote on the Plan.

15 Treatment. Unless the holder of the Wells Fargo Hm Mortgage Claim elects
 16 treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim,
 17 the holder of the Allowed Wells Fargo Hm Mortgage Claim shall (i) receive an Amended Wells
 18 Fargo Hm Mortgage Note and Amended Wells Fargo Hm Mortgage Deed of Trust in an amount
 19 equal to \$60,000.000 (the amount of the Allowed Secured Claim is determined on the assumption
 20 that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$60,000)
 21 payable in equal monthly installments over 15 years bearing interest at the rate of 3.9%, and as a
 22 condition to payment, Wells Fargo Hm Mortgage, or its successors in interest if applicable, shall
 23 execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate
 24 a release of the applicable Liens against the Collateral of Debtors, and (ii) receive an Allowed
 25 General Unsecured Claim for the amount due it in excess of \$60,000,000, or approximately \$4,520.00.

26 However, if the holder of the Wells Fargo Hm Mortgage Claim elected the option for
 27 treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
 28 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal

1 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
 2 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
 3 interest in the Collateral securing such Claim (\$50,000). By no later than the later of (a) the Effective
 4 Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall
 5 execute and deliver to the holder of the Wells Fargo Hm Mortgage Secured Claim an amended non-
 6 recourse promissory note (the "Amended Wells Fargo Hm Mortgage Election Note") evidencing such
 7 payment terms and bearing a 4.57% interest rate.

8 If the holder of the Wells Fargo Hm Mortgage Allowed Secured Claim has elected
 9 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
 10 Wells Fargo Hm Mortgage Election Note until such Amended Wells Fargo Hm Mortgage Election
 11 Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Wells
 12 Fargo Hm Mortgage Election Note, the holder thereof shall promptly execute and deliver to Debtors
 13 all such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
 14 against Collateral of Debtors. The Amended Wells Fargo Hm Mortgage Election Note may be
 15 prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay
 16 the difference between the Wells Fargo Hm Mortgage Allowed Claim and the outstanding balance
 17 remaining due under the Amended Wells Fargo Hm Mortgage Election Note, plus the payments
 18 made to the present. The holder of the Wells Fargo Hm Mortgage Secured Claim who has elected
 19 treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors.
 20 In the event of a default under the Amended Wells Fargo Hm Mortgage Election Note, such recourse
 21 shall be limited to the Collateral to which such Liens are attached.

22 **4.1.31. Class 31: Wells Fargo Hm Mortgage (2613 W. French, San Antonio,**
 23 **Texas) - Impaired.**

24 Impairment and Voting. Class 32 consists of the Wells Fargo Hm Mortgage Claim
 25 relating to 2613 W. French, San Antonio, Texas. The Debtors estimate that the Wells Fargo Hm
 26 Mortgage has a Claim in the amount of \$60,744.00 that is secured in the approximate amount of
 27 \$60,000.00. The holder of the Wells Fargo Hm Mortgage Claim is impaired under the Plan;
 28 consequently, the holder of the Wells Fargo Hm Mortgage Claim is entitled to vote on the Plan.

1 Treatment. Unless the holder of the Wells Fargo Hm Mortgage Claim elects
2 treatment under Section 1111(b)(2) of the Bankruptcy Code, in full and final satisfaction of its Claim,
3 the holder of the Allowed Wells Fargo Hm Mortgage Claim shall (i) receive an Amended Wells
4 Fargo Hm Mortgage Note and Amended Wells Fargo Hm Mortgage Deed of Trust in an amount
5 equal to \$60,000.000 (the amount of the Allowed Secured Claim is determined on the assumption
6 that the value of such Claimant's interest in the Debtors' interest in the Collateral is equal to \$60,000)
7 payable in equal monthly installments over 15 years bearing interest at the rate of 3.9%, and as a
8 condition to payment, Wells Fargo Hm Mortgage, or its successors in interest if applicable, shall
9 execute and deliver to Debtors all such documentation which Debtors deem necessary to effectuate
10 a release of the applicable Liens against the Collateral of Debtors, and (ii) receive an Allowed
11 General Unsecured Claim for the amount due it in excess of \$60,000,000, or approximately \$744.00.

12 However, if the holder of the Wells Fargo Hm Mortgage Claim elected the option for
13 treatment under Section 1111(b)(2) of the Bankruptcy Code in accordance with Bankruptcy Rule
14 3014, the holder of the Allowed Claim shall receive, in full and final satisfaction of its Claim, equal
15 monthly installments over a period of 30 years, deferred cash payments totaling at least the amount of
16 the Allowed Claim, with a value as of the Effective Date of at least the holder's interest in the estate's
17 interest in the Collateral securing such Claim (\$60,000). By no later than the later of (a) the Effective
18 Date or (b) fifteen (15) days after the Claim becomes an Allowed Secured Claim, Debtors shall
19 execute and deliver to the holder of the Wells Fargo Hm Mortgage Secured Claim an amended non-
20 recourse promissory note (the "Amended Wells Fargo Hm Mortgage Election Note") evidencing such
21 payment terms and bearing a 4.57% interest rate.

22 If the holder of the Wells Fargo Hm Mortgage Allowed Secured Claim has elected
23 such treatment under Section 1111(b)(2) it shall retain its Liens to secure repayment of the Amended
24 Wells Fargo Hm Mortgage Election Note until such Amended Wells Fargo Hm Mortgage Election
25 Note is fully paid or until the holder otherwise agrees. Upon satisfaction of the Amended Wells
26 Fargo Hm Mortgage Election Note, the holder thereof shall promptly execute and deliver to Debtors
27 all such documentation which Debtors deem necessary to effectuate a release of the holder's Liens
28 against Collateral of Debtors. The Amended Wells Fargo Hm Mortgage Election Note may be

prepaid by Debtors or on behalf of Debtors at any time without penalty; however, Debtors must pay the difference between the Wells Fargo Hm Mortgage Allowed Claim and the outstanding balance remaining due under the Amended Wells Fargo Hm Mortgage Election Note, plus the payments made to the present. The holder of the Wells Fargo Hm Mortgage Secured Claim who has elected treatment under Section 1111(b)(2) of the Bankruptcy Code shall have no recourse against Debtors. In the event of a default under the Amended Wells Fargo Hm Mortgage Election Note, such recourse shall be limited to the Collateral to which such Liens are attached.

4.1.32. Class 32: Bella Vita HOA- Impaired.

Impairment and Voting. Class 32 consists of the Bella Vita HOA Claim consisting of HOA dues. The Debtors estimate that Bella Vita HOA has a Claim in the amount of \$400.00 that is secured in the approximate amount of \$400.00. The holder of the Bella Vita HOA Claim is impaired under the Plan; consequently, the holder of the Bella Vita HOA Claim is entitled to vote on the Plan.

Treatment. The holder of the Bella Vita HOA Claim shall be paid in full over a period of 5 years with interest at the rate of 2% per annum.

4.1.33. Class 33: Casa Vegas HOA - Impaired.

Impairment and Voting. Class 33 consists of the Casa Vegas HOA Claim consisting of HOA dues. The Debtors estimate that the Casa Vegas HOA has a Claim in the amount of \$2,000.00 that is secured in the approximate amount of \$2,000.00. The holder of the Casa Vegas HOA Claim is impaired under the Plan; consequently, the holder of the Casa Vegas HOA Claim is entitled to vote on the Plan.

Treatment. The holder of the Casa Vegas HOA Claim shall be paid in full over a period of 5 years with interest at the rate of 2% per annum.

4.1.34. Class 34: Creekside Owners Association - Impaired.

Impairment and Voting. Class 34 consists of the Creekside Owners Association Claim consisting of HOA assessments related to 3807 Aspen Creek Avenue, Las Vegas, Nevada 89031. The Debtors estimate that the Creekside Owners Association has a Claim in the amount of \$828.97 that is secured in the approximate amount of \$828.97. The holder of the Creekside Owners Association Claim is impaired under the Plan; consequently, the holder of the Creekside Owners

1 Association Claim is entitled to vote on the Plan.

2 Treatment. The holder of the Creekside Owners Association Claim shall be paid in
3 full over a period of 5 years with interest at the rate of 2% per annum.

4 **4.1.35. Class 35: Pine Knott Owners Association - Impaired.**

5 Impairment and Voting. Class 35 consists of the Pine Knott Owners Association
6 Claim consisting of HOA dues for a dock-slip in Big Bear Lake, California. The Debtors estimate
7 that the Pine Knott Owners Association has a Claim in the amount of \$610.00 that is secured in the
8 approximate amount of \$610.00. The holder of the Pine Knott Owners Association Claim is
9 impaired under the Plan; consequently, the holder of the Pine Knott Owners Association Claim is
10 entitled to vote on the Plan.

11 Treatment. The holder of the Pine Knott Owners Association Claim shall be paid
12 in full over a period of 5 years with interest at the rate of 2% per annum.

13 **4.1.36. Class 36: Rancho Alexander Business Park - Impaired.**

14 Impairment and Voting. Class 36 consists of the Rancho Alexander Business Park
15 Claim consisting of HOA dues for an office building located on North Rancho, Las Vegas, Nevada.
16 The Debtors estimate that Rancho Alexander Business Park has a Claim in the amount of \$2,000 that
17 is secured in the approximate amount of \$2,000. The holder of the Rancho Alexander Business Park
18 Claim is impaired under the Plan; consequently, the holder of the Rancho Alexander Business Park
19 Claim is entitled to vote on the Plan.

20 Treatment. The holder of the Rancho Alexander Business Park Claim shall be paid
21 in full over a period of 5 years with interest at the rate of 2% per annum.

22 **4.1.37. Class 37: Silverstone Ranch Association - Impaired.**

23 Impairment and Voting. Class 37 consists of the Silverstone Ranch Association Claim
24 consisting of HOA dues and fines. The Debtors estimate that Silverstone Ranch Association has a
25 Claim in the amount of \$200.00 that is secured in the approximate amount of \$200.00. The holder
26 of the Silverstone Ranch Association Claim is impaired under the Plan; consequently, the holder of
27 the Silverstone Ranch Association Claim is entitled to vote on the Plan.

28 Treatment. The holder of the Silverstone Ranch Association Claim shall be paid in

1 full over a period of 5 years with interest at the rate of 2% per annum.

2 **4.1.38. Class 38: Southern Highlands Comm. Assoc. - Impaired.**

3 Impairment and Voting. Class 38 consists of the Southern Highlands Comm. Assoc.
4 Claim consisting of HOA fines relating to 3334 Palio Avenue, Las Vegas, Nevada 89141 in the
5 amount of \$5,450.00. The Debtors estimate that Southern Highlands Comm. Assoc. has a Claim in
6 the amount of \$5,450.00 that is unsecured. The holder of the Southern Highlands Comm. Assoc.
7 Claim is impaired under the Plan; consequently, the holder of the Southern Highlands Comm. Assoc.
8 Claim is entitled to vote on the Plan.

9 Treatment. The holder of the Southern Highlands Comm. Assoc. Claim shall be
10 paid in full over a period of 5 years with interest at the rate of 2% per annum. This claim is disputed.

11 **4.1.39. Class 39: Southern Highlands Comm. Assoc. - Impaired.**

12 Impairment and Voting. Class 39 consists of the Southern Highlands Comm. Assoc.
13 Claim consisting of HOA fines relating to 3348 Palio Avenue, Las Vegas, Nevada 89141 in the
14 amount of \$14,750.00. The Debtors estimate that Southern Highlands Comm. Assoc. has a Claim in
15 the amount of \$14,750.00 that is unsecured. The holder of the Southern Highlands Comm. Assoc.
16 Claim is impaired under the Plan; consequently, the holder of the Southern Highlands Comm. Assoc.
17 Claim is entitled to vote on the Plan.

18 Treatment. The holder of the Southern Highlands Comm. Assoc. Claim shall be
19 paid in full over a period of 5 years with interest at the rate of 2% per annum. This claim is disputed.

20 **4.1.40. Class 40: Symphony HOA. - Impaired.**

21 Impairment and Voting. Class 40 consists of the Symphony HOA Claim consisting of
22 HOA dues relating to 2606 S. Durango Drive, #187, Las Vegas, Nevada 89122 in the amount of
23 \$122.00. The Debtors estimate that the Symphony HOA has a Claim in the amount of \$122.00 that is
24 secured in the approximate amount of \$122.00. The holder of the Symphony HOA Claim is
25 impaired under the Plan; consequently, the holder of the Symphony HOA Claim is entitled to vote
26 on the Plan.

27 Treatment. The holder of the Symphony HOA Claim shall be paid in full over a
28 period of 5 years with interest at the rate of 2% per annum.

4.1.42. Class 42: General Unsecured Claims - Impaired.

Impairment and Voting. Class 42 consists of General Unsecured Claims. The Debtors estimate that General Unsecured Claims total \$93,000. However, to this amount will be added the claims of secured creditors which are deemed to be unsecured. General Unsecured Claims are impaired by the Plan; consequently, the holders of General Unsecured Claims are entitled to vote on the Plan.

Treatment. The holders of General Unsecured Claims, as a group, shall receive payments under the Plan of \$250 per month for 60 months, a total of \$15,000. These funds will be distributed pro rata to the allowed unsecured claims at least annually.

4.2 Reservation of Rights Regarding Claims. Except as otherwise explicitly provided in the Plan, nothing shall affect the Debtors' rights and defenses, both legal and equitable, with respect to any Claims.

ARTICLE V
ACCEPTANCE OR REJECTION OF THE PLAN

5.1 Impaired Classes of Claims and Interests Entitled to Vote. Claim holders in each Impaired Class of Claims are entitled to vote as a class to accept or reject the Plan. However, Class 22 and Class 28 are unimpaired under the Plan and are, therefore, presumed to accept the Plan. Class 22 and Class 28 votes will not be solicited.

5.2 Acceptance by an Impaired Class. In accordance with section 1126(c) of the Bankruptcy Code and except as provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims shall have accepted the Plan if the Plan is accepted by the holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims of such Class that have timely and properly voted to accept or reject the Plan.

5.3 Summary of Classes Voting on the Plan. The votes of holders of Claims in Classes all classes except Class 22 and Class 28 will be solicited with respect to this Plan.

5.4 Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code. To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Debtors will request confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of

1 the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke or withdraw the
2 Plan or any Plan Exhibit or Schedule, including the right to amend or modify it to satisfy the
3 requirements of section 1129(b) of the Bankruptcy Code, if necessary.

4 **ARTICLE VI**
5 **IMPLEMENTATION OF THE PLAN**

6 **6.1 Payments To Certain Classes.** Payments to Allowed Claim holders as set forth
7 herein and in the Plan will be made with the Cash earned by Debtors and monies from rents received
8 from the Debtors' properties. Attached as Exhibit D hereto are the Cash Projections.

9 **6.2 Source of Funds.** All funds necessary to pay creditors pursuant to the Plan shall
10 come from the Cash earned by Debtors by their personal services and rental monies received by the
11 Debtors from the Rental Properties.

12 **6.3 Preservation of Rights of Action.** The Debtors shall obtain the rights to all claims,
13 rights or causes of action, suits, and proceedings, whether in law or in equity, whether known or
14 unknown, that the Debtors or the Estate may hold against any person or entity. The Debtors shall
15 also retain all Avoidance Actions. The Debtors may pursue such retained Litigation Claims in the
16 Bankruptcy Court for the benefit of all holders of Allowed Claims. Except as otherwise provided in
17 this Plan or the Confirmation Order, or in any contract, instrument, release, indenture or other
18 agreement entered into in connection with the Plan, in accordance with section 1123(b) of the
19 Bankruptcy Code, the Debtors may, in their sole discretion, enforce, sue on, settle or compromise (or
20 decline to do any of the foregoing) all Litigation Claims.

21 **6.4 Effectuating Documents; Further Transactions.** The Debtors shall be authorized
22 to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other
23 agreements or documents, and take such actions as may be necessary or appropriate to effectuate and
24 further evidence the terms and conditions of the Plan.

25 **6.5 Release And Avoidance of Liens.** Except as otherwise provided for in the Plan, if the
26 value of any other collateral, is less than the Allowed amount of these respective claims, the Plan
27 shall constitute a motion pursuant to section 506(d) of the Bankruptcy Code to void any Liens on the
28 respective collateral. A list of all such voided Liens shall be filed with the Bankruptcy Court at least

1 ten (10) days prior to Confirmation and shall be served upon any known holders thereof. Further,
2 pursuant to section 1142(b) of the Bankruptcy Code, the entry of the Confirmation Order shall
3 constitute a direction by the Bankruptcy Court to the holders of all voided Liens to execute the
4 documents necessary to release such voided Liens without further order of the Court.

5 **6.6 Management Of Debtors.** The Debtors are individuals and will be responsible for
6 the continued management of their assets and liabilities. On and after the Effective Date, the Debtors
7 shall (i) keep all of its assets in good repair and operation, (ii) maintain appropriate levels of
8 insurance, (iii) timely file all tax returns and other financial information and reports required by law
9 or applicable regulations, (iv) keep and maintain in good standing all permits, licenses and approvals
10 applicable to the Debtors to conduct their business operations, and (v) take all actions necessary
11 under the Plan.

12 The Debtors shall continue to expend such funds as are necessary to pay for their customary
13 living expenses.

14 **6.7 Exemption From Certain Transfer Taxes.** Pursuant to section 1146(c) of the
15 Bankruptcy Code, any transfers from the Debtors to the Debtors or any other Person or entity
16 pursuant to the Plan in the United States shall not be subject to any document recording tax, stamp
17 tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax,
18 mortgage recording tax or other similar tax or governmental assessment, and the Confirmation Order
19 shall direct the appropriate state or local governmental officials or agents to forego the collection of
20 any such tax or governmental assessment and to accept for filing and recordation any of the
21 foregoing instruments or other documents without the payment of any such tax or governmental
22 assessment.

23 **6.8 Post-confirmation matters.** Except as otherwise set forth in the Plan, on and after
24 the Effective Date, without need for further action by the members or managers of the Debtors or the
25 Debtors, and without further order of the Bankruptcy Court, the Debtors shall be appointed Estate
26 Representative under section 1123 of the Bankruptcy Code and, by and through its management,
27 shall be solely responsible for and shall have authority to: (a) make all Distributions required to be
28 made on or after the Effective Date to the holders of Allowed Claims; (b) settle, resolve and object

1 to Claims; (c) pay all fees payable under 28 U.S.C. § 1930; (d) file any post-Confirmation reports
 2 required by the Bankruptcy Code or the Bankruptcy Court; (e) retain, employ and utilize such
 3 Professionals as may be necessary without further approval of the Bankruptcy Court; (f) do all things
 4 necessary and appropriate to fulfill the duties and obligations of the Debtors and the Debtors under
 5 the Plan, the Confirmation Order, the Bankruptcy Code and the Bankruptcy Rules; and (g) move for
 6 the entry of a Final Decree and prepare and file any pleadings as may be required by the Bankruptcy
 7 Court in connection with the Final Decree and the closing of the Chapter 11 Case.

8 **ARTICE VII**
 9 **CONDITIONS PRECEDENT**

10 **7.1 Condition to Confirmation.** It is a condition precedent to Confirmation that the
 11 Bankruptcy Court enter a Confirmation Order in form and substance reasonably acceptable to the
 12 Debtors.

13 **7.2 Conditions to Effectiveness.** The following are conditions precedent to the
 14 occurrence of the Effective Date:

- 15 (a) the Confirmation Date shall have occurred;
- 16 (b) the Confirmation Order shall be a Final Order, except that the Debtors reserve
 17 the right to cause the Effective Date to occur notwithstanding the pendency of an appeal of the
 18 Confirmation Order under circumstances that such parties believe would moot such appeal;
- 19 (c) no request for revocation of the Confirmation Order under section 1144 of the
 20 Bankruptcy Code shall have been made, or, if made, remain pending; and
- 21 (d) the Debtors shall have received all approvals necessary or appropriate to
 22 substantially consummate the Plan and enter into the related Plan Documents.

23 **7.3 Waiver of Conditions.** Conditions to Confirmation and the occurrence of the
 24 Effective Date may be waived in whole or in part by the Debtors at any time without notice, an order
 25 of the Bankruptcy Court, or any further action other than proceeding to Confirmation and
 26 consummation of the Plan.

27 **7.4 Failure of Conditions.** If the Effective Date shall not occur, the Debtors and all other
 28 parties in interest shall retain all their rights and remedies as if the Plan had not been proposed.

1 Among other things, the Plan shall be null and void and nothing contained in the Plan shall: (a)
 2 constitute a waiver of any Claims against or Equity Interests in the Debtors or (b) prejudice in any
 3 manner the rights of the Debtors.

4 **ARTICLE VIII**
 5 **TREATMENT OF EXECUTORY CONTRACTS AND LEASE**

6 **8.1 Rejection of Executory Contracts and Unexpired Leases**

7 All unexpired leases and executory contracts of the Debtors, other than those set forth on
 8 Schedule 8.2 to the Plan, shall be rejected by the Debtors as of the Effective Date pursuant to Section
 9 365(a) of the Bankruptcy Code. The Plan shall constitute a motion to reject the executory contracts
 10 and unexpired leases rejected pursuant to this section, and the Debtors shall have no liability
 11 thereunder except as is specifically provided in the Plan. Entry of the Confirmation Order shall
 12 constitute approval of such rejections pursuant to section 365(a) of the Bankruptcy Code and a
 13 finding by the Bankruptcy Court that each such rejected agreement, executory contract or unexpired
 14 lease is burdensome and that the rejection thereof is in the best interests of the Debtors and their
 15 estate.

16 **8.2 Assumed Contracts**

17 The Plan shall constitute a motion to assume such executory contracts and unexpired leases as
 18 set forth in Schedule 8.2 of the Plan. Entry of the Confirmation Order shall constitute approval of
 19 such assumption pursuant to sections 365(a) and (b) of the Bankruptcy Code. Any non-debtor
 20 counterparty to an agreement listed on Schedule 8.2 who disputes the assumption of an executory
 21 contract or unexpired lease must file with the Bankruptcy Court, and serve upon the Debtors, a
 22 written objection to the assumption, which objection shall set forth the basis for the dispute by not
 23 later than ten (10) days prior to the Confirmation Hearing. The failure to timely object shall be
 24 deemed a waiver of any and all objections to the assumption of executory contracts and leases as set
 25 forth in Schedule 8.2.

26 **As of the date hereof, the Debtors intend to assume all of the leases with its tenants.**

27 **8.3 Bar Date**

28 All proofs of claim with respect to claims arising from the rejection of any unexpired lease or

1 executory contracts shall be filed with the Bankruptcy Court and served on Debtors' counsel no later
2 than thirty (30) days after the Effective Date. The holder of any Claim not filed within such time
3 shall be forever barred from asserting any such Claim or receiving any Distribution on account of
4 such Claim. Any Claims resulting from the rejection of executory contracts shall be classified as
5 General Unsecured Claims for purposes of the Plan.

6 **ARTICLE IX**
7 **PROVISIONS GOVERNING DISTRIBUTIONS**

8 **9.1 Distributions.** In order to facilitate Distributions to holders of Allowed Claims, and
9 if and to the extent there are Disputed Claims in any Class, the Debtors shall set aside in a
10 Contingency Reserve account the payments or Distributions applicable to such Disputed Claims as if
11 such Disputed Claims were Allowed Claims, pending the allowance or disallowance of such
12 Disputed Claims. In the event that the Debtors wish to deposit or hold a lesser amount than required
13 herein and is unable to reach an agreement with the holder of the Disputed Claim, on the amount to
14 be deposited or held, the Bankruptcy Court shall fix the amount after notice and hearing. Upon Final
15 Order with respect to a Disputed Claim, the holder of such Disputed Claim, to the extent it has been
16 determined to be an Allowed Claim, shall receive from the Debtors that payment or Distribution to
17 which it would have been entitled if the portion of the Claim so allowed had been allowed as of the
18 Effective Date. Such payment or distribution shall be made as soon as practical after the order
19 allowing the Claim has become a Final Order.

20 **9.2 Means of Payment.** Cash payments made pursuant to this Plan shall be in U.S.
21 funds, by the means agreed to by the payor and the payee, including by check or wire transfer, or, in
22 the absence of an agreement, such commercially reasonable manner as the payor shall determine in
23 its sole discretion.

24 **9.3 Delivery of Distributions.** Distributions to holders of Allowed Claims shall be made
25 by the Debtors (a) at the addresses set forth on the proofs of Claim filed by such holders (or at the
26 last known addresses of such holders if no proof of Claim is filed or if the Debtors have been
27 notified of a change of address), (b) at the addresses set forth in any written notice of address
28 changes delivered to the Debtors after the date of any related proof of Claim, (c) at the addresses

1 reflected in the Schedules if no proof of Claim has been filed and the Debtors have not received a
2 written notice of a change of address. If any holder's distribution is returned as undeliverable, no
3 further distributions to such holder shall be made unless and until the Debtors are notified of the
4 holder's then current address, at which time all missed distributions shall be made to the holder
5 without interest from the date that the distribution was returned as undeliverable. Amounts in
6 respect of undeliverable distributions made by the Debtors shall be returned to the Debtors until such
7 distributions are claimed. All claims for undeliverable distributions made by the Debtors must be
8 made on or before the second (2nd) anniversary of the Effective Date, after which all unclaimed
9 property shall revert to the Debtors free of any restrictions thereon and the claim of any holder or
10 successor to such holder with respect to such property shall be discharged and forever barred,
11 notwithstanding any federal or state escheat laws to the contrary. Nothing contained in the Plan
12 shall require the Debtors or Debtors, or any representative or agent of these parties, to attempt to
13 locate any holder of an Allowed Claim or Interest.

14 **9.4 Withholding And Reporting Requirements.** In connection with this Plan, and all
15 distributions hereunder, the Debtors shall, to the extent applicable, comply with all tax withholding
16 and reporting requirements imposed by any federal, state, provincial, local, or foreign taxing
17 authority, and all distributions hereunder shall be subject to any such withholding and reporting
18 requirements. The Debtors shall be authorized to take any and all actions that may be necessary or
19 appropriate to comply with such withholding and reporting requirements. Notwithstanding any
20 other provision of the Plan: (a) each holder of an Allowed Claim that is to receive a distribution
21 pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of
22 any tax obligations imposed by any governmental unit, including income, withholding and other tax
23 obligations, on account of such distribution, and (b) no distribution shall be made to or on behalf of
24 such holder pursuant to the Plan unless and until such holder has made arrangements satisfactory to
25 the Debtors for the payment and satisfaction of such tax obligations.

26 **9.5 Setoffs.** The Debtors may, but shall not be required to, set off against any Claim,
27 and the payments or other distributions to be made pursuant to the Plan in respect of such Claim,
28 claims of any nature whatsoever that the Debtors or Debtors may have against the holder of such

1 Claim; provided, however, that neither the failure to do so nor the allowance of any Claim hereunder
 2 shall constitute a waiver or release by the Debtors of any such claim that the Debtors or Debtors
 3 may have against such holder.

4 **ARTICLE X**
 5 **PROCEDURES FOR RESOLVING DISPUTED,**
 6 **CONTINGENT, AND UNLIQUIDATED CLAIMS AND DISPUTED INTERESTS**

7 **10.1 Prosecution Of Objections.** After the Confirmation Date, only the Debtors shall
 8 have the authority to file objections, settle, compromise, withdraw or litigate to judgment objections
 9 to Claims. From and after the Effective Date, the Debtors may settle or compromise any Disputed
 10 Claim without approval of the Bankruptcy Court.

11 **10.11 No Distributions Pending Allowance.** Notwithstanding any other provision of the
 12 Plan, no payments or distributions shall be made with respect to all or any portion of a Disputed
 13 Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have
 14 been determined by Final Order, and the Disputed Claim, or some portion thereof, has become an
 15 Allowed Claim.

16 **ARTICLE XI**
 17 **RETENTION OF JURISDICTION**

18 **11.1** Under sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding entry of
 19 the Confirmation Order and occurrence of the Effective Date, the Bankruptcy Court shall retain
 20 exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Case and the Plan
 21 to the fullest extent permitted by law, including, among other things, jurisdiction to:

22 **11.11** Allow, disallow, determine, liquidate, classify, estimate or establish the priority or
 23 secured or unsecured status of any Claim or Interest not otherwise allowed under the Plan, including
 24 the resolution of any request for payment of any Administrative Claim and the resolution of any
 25 objections to the allowance or priority of Claims or Interests;

26 **11.12** Hear and determine all applications for compensation and reimbursement of expenses
 27 of Professionals under the Plan or under sections 330, 331, 503(b), 1103 and 1129(a)(4) of the
 28 Bankruptcy Code; provided, however, that from and after the Effective Date, the payment of the fees
 and expenses of the retained Professionals of the Debtors shall be made in the ordinary course of

1 business and shall not be subject to the approval of the Bankruptcy Court;

2 **11.13** Hear and determine all matters with respect to the assumption or rejection of any
3 executory contract or unexpired lease to which a Debtor is a party or with respect to which a Debtor
4 may be liable, including, if necessary, the nature or amount of any required cure or the liquidation or
5 allowance of any Claims arising therefrom;

6 **11.14** Effectuate performance of and payments under the provisions of the Plan;

7 **11.15** Hear and determine any and all adversary proceedings, motions, applications, and
8 contested or litigated matters arising out of, under, or related to, the Chapter 11 Case;

9 **11.16** Enter such orders as may be necessary or appropriate to execute, implement, or
10 consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements
11 or documents created in connection with the Plan, the Disclosure Statement or the Confirmation
12 Order;

13 **11.17** Hear and determine disputes arising in connection with the interpretation,
14 implementation, consummation, or enforcement of the Plan, including disputes arising under
15 agreements, documents or instruments executed in connection with the Plan;

16 **11.18** Consider any modifications of the Plan, cure any defect or omission, or reconcile any
17 inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation
18 Order;

19 **11.19** Issue injunctions, enter and implement other orders, or take such other actions as may
20 be necessary or appropriate to restrain interference by any entity with implementation,
21 consummation, or enforcement of the Plan or the Confirmation Order;

22 **11.20** Enter and implement such orders as may be necessary or appropriate if the
23 Confirmation Order is for any reason reversed, stayed, revoked, modified, or vacated;

24 **11.21** Hear and determine any matters arising in connection with or relating to the Plan, the
25 Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other
26 agreement or document created in connection with the Plan, the Disclosure Statement or the
27 Confirmation Order;

28 **11.22** Enforce all orders, judgments, injunctions, releases, exculpations, indemnifications

1 and rulings entered in connection with the Chapter 11 Case;

2 **11.23** Except as otherwise limited herein, recover all assets of the Debtors and property of
3 the Debtors' Estate, wherever located;

4 **11.24** Hear and determine matters concerning state, local, and federal taxes in accordance
5 with sections 346, 505, and 1146 of the Bankruptcy Code;

6 **11.25** Hear and determine all disputes involving the existence, nature or scope of the
7 Debtors' discharge;

8 **11.26** Hear and determine such other matters as may be provided in the Confirmation Order
9 or as may be authorized under, or not inconsistent with, provisions of the Bankruptcy Code; and

10 **11.27** Enter a final decree closing the Chapter 11 Case.

11 **ARTICLE XII**
12 **TITLE TO PROPERTY; DISCHARGE; INJUNCTION**

13 **12.1 Revesting of Assets.** Subject to the provisions of this Plan, the property of the Estate
14 shall vest in the Debtors, subject to the limitations set forth herein, on the Effective Date. As of the
15 Effective Date, all such property of the Debtors shall be free and clear of all liens except as
16 otherwise provided herein. From and after the Effective Date, Debtors may use, acquire and
17 dispose of its property free of any restriction of the Bankruptcy Code, including the employment of
18 and payment to professionals, except as set forth herein.

19 **12.2 Discharge.** As set forth under 11 U.S.C. § 1141(d)(5), confirmation of the plan and
20 completion of all payments under the Plan, or as so ordered by the Court if the Debtors have not
21 completed payments, may serve as a discharge and release of all Claims or other debt that arose
22 before the Confirmation Date, and all debts of the kind specified in Sections 502(g), 502(h), or
23 502(i) of the Bankruptcy Code, whether or not: (a) a proof of Claim based on such debt is filed or
24 deemed filed pursuant to Section 501 of the Bankruptcy Code; (b) a Claim based on such debt is
25 allowed pursuant to Section 502 of the Bankruptcy Code; or (c) the holder of a Claim based on such
26 debt has accepted this Plan, including any interest accrued on Claims from the Petition Date.

27 **12.3 Injunction.** Except as provided in this Plan or the Confirmation Order, all entities
28 that have held, currently hold, or may hold a Claim or other debt or liability that is discharged or

1 an Equity Interest or other right of an equity security holder that is affected pursuant to the terms
 2 of this Plan are permanently enjoined from taking any of the following actions on account of any
 3 such discharged Claims, debts or liabilities or rights: (i) commencing or continuing in any
 4 manner any action or other proceeding against the Debtors and Debtors or their respective
 5 property; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award,
 6 decree, or order against the Debtors or Debtors or their respective property; (iii) creating,
 7 perfecting, or enforcing any lien or encumbrance against the Debtors or Debtors or their
 8 respective property; (iv) asserting a set off, right of subrogation or recoupment of any kind against
 9 any debt, liability, or obligation due to the Debtors or Debtors or their respective property; and (v)
 10 commencing or continuing any action, in any manner or any place, that does not comply with or
 11 is inconsistent with the provisions of this Plan or the Bankruptcy Code.

12 **12.4 Exculpation.** Neither Debtors nor Debtors nor any of their employees, advisors,
 13 attorneys, or agents, shall have or incur any liability to any holder of a Claim or Equity Interest,
 14 or any other party in interest, or any of their respective agents, employees, representatives,
 15 financial advisors, attorneys, or any of their successors or assigns, for any act or omission in
 16 connection with, relating to, or arising out of, the Chapter 11 Case, the pursuit of confirmation of
 17 this Plan, the consummation of this Plan, except for their breaches of fiduciary duty, negligence,
 18 and willful misconduct, and in all respects shall be entitled to reasonably rely upon advice of
 19 counsel with respect to their duties and responsibilities under this Plan or in the context of the
 20 Chapter 11 Case. No holder of a Claim or Equity Interest, or any other party in interest,
 21 including their respective agents, employees, representatives, financial advisors or attorneys, shall
 22 have any right of action against Debtors, Debtors, or any of their respective present or former
 23 members, officers, directors, employees, advisors, attorneys, or agents, for any act or omission in
 24 connection with, relating to, or arising out of, the Chapter 11 Case, the pursuit of confirmation of
 25 this Plan, the consummation of this Plan or the administration of this Plan, except for their
 26 breaches of fiduciary duty, negligence, and willful misconduct.

27 **12.5 Judgments Void.** Any judgment obtained before or after the Confirmation Date in
 28 any court other than the Bankruptcy Court shall be null and void as a determination of the liability of

1 the Debtors with respect to any debt discharged.

2 **ARTICLE XIII**
3 **MODIFICATION, AMENDMENT, AND WITHDRAWAL OF PLAN**

4 **13.1 Modification and Amendment.** Prior to Confirmation, any of the proponents may
5 alter, amend, or modify this Plan or any Exhibits thereto under Section 1127(a) of the Bankruptcy
6 Code at any time. After the Confirmation Date and prior to substantial consummation of this Plan as
7 defined in Section 1101(2) of the Bankruptcy Code, the proponent may, under Section 1127(b), (c),
8 and (d) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court to remedy any defect
9 or omission or reconcile any inconsistencies in this Plan, the Disclosure Statement or the
10 Confirmation Order, to make appropriate adjustments and modifications to this Plan or the
11 Confirmation Order as may be necessary to carry out the purposes and effects of this Plan so long as
12 such proceedings do not materially adversely affect the treatment of holders of Claims or Interests
13 under this Plan.

14 **13.2 Withdrawal of Plan.** Prior to Confirmation, the proponent may withdraw this Plan.

15 **13.3 Revocation or Withdrawal of this Plan.** If this Plan is withdrawn or revoked, then
16 this Plan shall be deemed null and void and nothing contained herein shall be deemed to constitute a
17 waiver of any Claims against the Debtors or any other person, nor shall the withdrawal or revocation
18 of this Plan prejudice in any manner the rights of the Debtors or any person in any further
19 proceedings involving the Debtors. In the event this Plan is withdrawn or revoked, nothing set forth
20 herein shall be deemed an admission of any sort and this Plan and any transaction contemplated
21 thereby shall not be admitted into evidence in any proceeding.

22 **13.4 Severability Of Plan Provisions.** If, prior to Confirmation, any term or provision of
23 the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable the Bankruptcy Court,
24 at the request of the Debtors, shall have the power to alter and interpret such term or provision to
25 make it valid or enforceable to the maximum extent practicable, consistent with the original purpose
26 of the term or provision held to be invalid, void or unenforceable, and such term or provision shall
27 then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or
28 interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and

1 effect and shall in no way be affected, impaired or invalidated by such holding, alteration or
2 interpretation. The Confirmation Order shall constitute a judicial determination and shall provide
3 that each term and provision of the Plan, as it may have been altered or interpreted in accordance
4 with the foregoing, is valid and enforceable pursuant to its terms.

5 **ARTICLE XIV**
6 **ACCEPTANCE OR REJECTION OF THE PLAN**

7 **14.1 Impaired Classes to Vote.** Each holder of a Claim or Equity Interest in an impaired
8 Class shall be entitled to vote separately to accept or reject the Plan unless such holder is deemed to
9 accept or reject the Plan.

10 **14.2 Acceptance by Class of Creditors.** An impaired Class of holders of Claims shall
11 have accepted the Plan if the Plan is accepted by holders of at least two-thirds in dollar amount and
12 more than one-half in number of the Allowed Claims of such Class that have voted to accept or reject
13 the Plan.

14 **14.3 Cramdown.** If any impaired Class of Claims or Equity Interests entitled to vote shall
15 not accept the Plan by the requisite statutory majorities provided in section 1126(c) or section
16 1126(d) of the Bankruptcy Code, the Debtors reserve the right to request that the Bankruptcy Court
17 confirm the Plan under section 1129(b) of the Bankruptcy Code.

18 **ARTICLE XV**
19 **TITLE TO PROPERTY; DISCHARGE; INJUNCTION**

20 **15.1 Revesting of Assets.** Subject to the provisions of this Plan, the property of the Estate
21 shall vest in the Debtors, subject to the limitations set forth herein, on the Effective Date. As of the
22 Effective Date, all such property of the Debtors shall be free and clear of all liens except as otherwise
23 provided herein. From and after the Effective Date, Debtors may use, acquire and dispose of its
24 property free of any restriction of the Bankruptcy Code, including the employment of and payment to
25 professionals, except as set forth herein.

26 **15.2 Discharge.** As set forth under 11 U.S.C. § 1141(d)(5), confirmation of the plan and
27 completion of all payments under the Plan, or as so ordered by the Court if the Debtors has not
28 completed payments, may serve as a discharge and release of all Claims or other debt that arose

1 before the Confirmation Date, and all debts of the kind specified in Sections 502(g), 502(h), or 502(i)
2 of the Bankruptcy Code, whether or not: (a) a proof of Claim based on such debt is filed or deemed
3 filed pursuant to Section 501 of the Bankruptcy Code; (b) a Claim based on such debt is allowed
4 pursuant to Section 502 of the Bankruptcy Code; or (c) the holder of a Claim based on such debt has
5 accepted this Plan, including any interest accrued on Claims from the Petition Date.

6 **15.3 Injunction.** Except as provided in this Plan or the Confirmation Order, as of the
7 Confirmation Date, all entities that have held, currently hold, or may hold a Claim or other debt or
8 liability that is discharged or an Equity Interest or other right of an equity security holder that is
9 affected pursuant to the terms of this Plan are permanently enjoined from taking any of the following
10 actions on account of any such discharged Claims, debts or liabilities or rights: (i) commencing or
11 continuing in any manner any action or other proceeding against the Debtors or their property; (ii)
12 enforcing, attaching, collecting or recovering in any manner any judgment, award, decree, or order
13 against the Debtors or their property; (iii) creating, perfecting, or enforcing any lien or encumbrance
14 against the Debtors or their property; (iv) asserting a set off, right of subrogation or recoupment of
15 any kind against any debt, liability, or obligation due to the Debtors or their property; and (v)
16 commencing or continuing any action, in any manner or any place, that does not comply with or is
17 inconsistent with the provisions of this Plan or the Bankruptcy Code.

18 **15.4 Exculpation.** Neither the Debtors nor any of their employees, advisors, attorneys, or
19 agents, shall have or incur any liability to any holder of a Claim or Equity Interest, or any other party
20 in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys,
21 or any of their successors or assigns, for any act or omission in connection with, relating to, or arising
22 out of, the Chapter 11 Case, the pursuit of confirmation of this Plan, the consummation of this Plan,
23 except for their willful misconduct, and in all respects shall be entitled to reasonably rely upon advice
24 of counsel with respect to their duties and responsibilities under this Plan or in the context of the
25 Chapter 11 Case. No holder of a Claim or Equity Interest, or any other party in interest, including
26 their respective agents, employees, representatives, financial advisors or attorneys, shall have any
27 right of action against Debtors, or any of their present or former agents, employees, representatives,
28 financial advisors, attorneys, for any act or omission in connection with, relating to, or arising out of

1 the Chapter 11 Case, the pursuit of confirmation of this Plan, the consummation of this Plan or the
2 administration of this Plan, except for their willful misconduct.

3 **ARTICLE XVI**
4 **MISCELLANEOUS**

5 **16.1 Professional Fee Claims.** All final requests for compensation or reimbursement of
6 Professional Fees pursuant to sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code for
7 services rendered to the Debtors or any creditors' committee (if one has been appointed) prior to the
8 Effective Date and substantial contribution Claims under section 503(b)(4) of the Bankruptcy Code
9 must be filed and served on the Debtors and its counsel no later than sixty (60) days after the
10 Confirmation Date, unless otherwise ordered by the Bankruptcy Court. Objections to applications of
11 such Professionals or other entities for compensation or reimbursement of expenses must be filed
12 and served on the Debtors and their counsel and the requesting Professional or other entity no later
13 than thirty (30) days (or such longer period as may be allowed by order of the Bankruptcy Court)
14 after the date on which the applicable application for compensation or reimbursement was served.

15 **16.2 Administrative Claims Bar Date.** All requests for payment of an Administrative
16 Claim must be filed and set for hearing with the Bankruptcy Court and served on counsel for the
17 Debtor, Debtors, and office of the United States Trustee no later than the close of business (Pacific
18 Time) no later than 60 days after the Confirmation Date. Unless a party in interest objects to an
19 Administrative Claim within thirty (30) Business Days after receipt, such Administrative Claim may
20 be deemed allowed in the amount requested and shall receive payment as set forth herein. In the
21 event that a party in interests objects to an Administrative Claim, the Bankruptcy Court shall
22 determine the Allowed amount of such Administrative Claim.

23 **16.3 Compromises and Settlements.** Pursuant to Fed. R. Bankr. P. 9019(a), the Debtors
24 may compromise and settle various Claims against it and or claims that it may have against other
25 persons. On the Effective Date, such right shall pass to the Debtors.

26 **16.4 Payment Of Statutory Fees.** All fees payable pursuant to Section 1930 of title 28 of
27 the United States Code, as determined by the Bankruptcy Court at the Confirmation shall be paid on
28 or before the Effective Date. The Debtors will continue to make the U.S. Trustee's quarterly fees

1 until the case is closed. The amount of fees will be established by the post-petition operating reports
2 of the Debtors.

3 **16.5 Binding Effect.** This Plan shall be binding upon, and shall inure to the benefit of, the
4 Debtors, and the holders of all Claims and Equity Interests and their respective successors and
5 assigns.

6 **16.6 Governing Law.** Except to the extent that the Bankruptcy Code or other federal law
7 is applicable or as provided in any document contained in the Plan or in any document which
8 remains unaltered by this plan, the rights, duties, and obligations of the Debtors and any other person
9 arising under this Plan shall be governed by, and construed and enforced in accordance with, the
10 internal laws of the State of Nevada without giving effect to Nevada's choice of law provisions.

11 **16.7 Notices.** Any notice required or permitted to be provided under this Plan shall be in
12 writing and served by either: (a) certified mail, return receipt required, postage prepaid; (b) hand
13 delivery; or (c) reputable overnight courier service, freight prepaid, to be addressed as follows:

14 If to Debtors, to:

15 David and Karol Speckman
16 1414 Oliver Avenue
San Diego, CA 92109

17 With a copy to:

18 Lenard E. Schwartzer, Esq.
19 Schwartzer & McPherson Law Firm
20 2850 S. Jones Blvd., Suite 1
Las Vegas, NV 89146
21 Telephone: (702) 228-7590
Facsimile: (702) 892-0122
22

23 **16.8 Solicitation.** Pursuant to Section 1125(e) of the Bankruptcy Code, a person that
24 solicits acceptance or rejection of a plan, in good faith and in compliance with the applicable
25 provisions of this title, or that participates, in good faith, and in compliance with the applicable
26 provisions of this title, in the offer, issuance, sale, or purchase of a security, offered or sold under the
27 plan, of the debtors, of an affiliate participating in a joint plan with the debtors, or of a newly
28 organized successor to the debtors under the plan, is not liable, on account of such solicitation or

6 Respectfully submitted this 30th day of July, 2010.

KAROL SPECKMAN

16 SCHWARTZER & McPHERSON LAW FIRM

Lenard E. Schwartzer, Esq.
Counsel for the Debtors and Debtors in Possession
And Plan Proponent